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

The Stock Exchange of Hong Kong Limited, Hong Kong Exchanges and Clearing Limited, Hong Kong Securities Clearing Company Limited and the Hong Kong Securities and Futures Commission take no responsibility for the contents of this Addendum, 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 Addendum.

This Addendum forms an integral part of and should be read in conjunction with the Prospectus of the Premia ETF Series dated 7 April 2021. The Manager accepts full responsibility for the accuracy of the information contained in this Addendum and confirm, having made all reasonable enquiries, that to the best of its knowledge and belief, there are no other facts the omission of which would make any statement misleading.

Premia CSI Caixin China Bedrock Economy ETF

(Stock Code: 2803 / 9803)

Premia CSI Caixin China New Economy ETF

(Stock Code: 3173 / 9173)

Premia Asia Innovative Technology ETF

(Stock Code: 3181 / 9181)

Premia Dow Jones Emerging ASEAN Titans 100 ETF

(Stock Code: 2810 / 9810)

Premia US Treasury Floating Rate ETF

(Stock Code: 3077 / 9077 / 9078)

Premia MSCI Vietnam ETF

(Stock Code: 2804 / 9804)

Premia China Treasury and Policy Bank Bond Long Duration ETF

(Stock Code: 2817 / 82817 / 9817)

Premia China USD Property Bond ETF

(Stock Code: 3001 / 83001 / 9001)

Each a sub-fund of Premia ETF Series

(Each a Hong Kong unit trust authorized under Section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong)

Addendum to the Prospectus

The following amendments shall be made to the Prospectus :

(1) In page 123 of the Prospectus, the heading “Top 10 constituents of the Index” shall be changed to “Index Securities of the Index” and the sentence “As at 25 March 2021, the 10 largest constituents of the Index (which amounted in aggregate for 20.80% of the Index) were as follows :” and the table underneath shall be deleted.

(2) In page 135 of the Prospectus, the “Top 10 constituents of the Index” shall be changed to “Index Securities of the Index” and the sentence “As at 25 March 2021, the 10 largest constituents of the Index (which amounted in aggregate for 36.440% of the Index) were as follows :” and the table underneath shall be deleted.

(3) In page 150 of the Prospectus, the “Top 10 constituents of the Index” shall be changed to “Index Securities of the Index” and the sentence “As at 25 March 2021, the 10 largest constituents of the Index (which amounted in aggregate for 24.66% of the Index) were as follows :” and the table underneath shall be deleted.

(4) In page 161 of the Prospectus, the “Top 10 constituents of the Index” shall be changed to “Index Securities of the Index” and the sentence “As at 25 March 2021, the 10 largest constituents of the Index (which amounted in aggregate for 32.97% of the Index) were as follows :” and the table underneath shall be deleted.

(5) In page 175 of the Prospectus, the “Top 10 constituents of the Index” shall be changed to “Index Securities of the Index” and the sentence “As at 25 March 2021, the 10 largest constituents of the Index (which amounted in aggregate for 100.00% of the Index) were as follows :” and the table underneath shall be deleted.

(6) In page 186 of the Prospectus, the “Top 10 constituents of the Index” shall be changed to “Index Securities of the Index” and the sentence “As at 25 March 2021, the 10 largest constituents of the Index (which amounted in aggregate for 92.10% of the Index) were as follows :” and the table underneath shall be deleted.

(7) In page 205 of the Prospectus, the “Top 10 constituents of the Index” shall be changed to “Index Securities of the Index” and the sentence “As at 25 March 2021, the 10 largest

constituents of the Index (which accounted in aggregate for 42.89% the Index) were as follows:" and the table underneath shall be deleted.

(8) In page 221 of the Prospectus, the "Top 10 constituents of the Index" shall be changed to "Index Securities of the Index" and the sentence "As at 25 March 2021, the 10 largest constituents of the Index (which accounted in aggregate for 12.43% the Index) were as follows:" and the table underneath shall be deleted.

(9) "Korea Investment & Securities (Asia) Limited" be added in the list of Participating Dealer in pages 115, 126, 138, 154, 165 and 178 of the Prospectus.

(10) "The Hongkong and Shanghai Banking Corporation Limited" be added in the list of Participating Dealer in page 190 of the Prospectus.

Premia Partners Company Limited
as the Manager of Premia ETFs
Date: 30 April 2021

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.

Premia ETF Series

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

PROSPECTUS

Manager

Premia Partners Company Limited

7 April 2021

Hong Kong Exchanges and Clearing Limited ("HKEx"), The Stock Exchange of Hong Kong Limited (the "SEHK"), Hong Kong Securities Clearing Company Limited ("HKSCC") and the Hong Kong Securities and Futures Commission (the "SFC") 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 a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

IMPORTANT INFORMATION

This Prospectus relates to the offer in Hong Kong of units (the "Units") in the Premia ETF Series (the "Trust"), an umbrella unit trust established under Hong Kong law by a trust deed dated 18 September 2017, as amended from time to time (the "Trust Deed") between Premia Partners Company Limited (the "Manager") and HSBC Institutional Trust Services (Asia) Limited (the "Trustee"). The Trust can have a number of sub-funds (the "Sub-Funds" or individually a "Sub-Fund").

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 which contains the key features and risks of each of the Sub-Funds is also issued by the Manager and such product key facts statements shall form part of this Prospectus, and shall be read, in conjunction with, this Prospectus.

The Manager accepts full responsibility for the accuracy of the information contained in this Prospectus and confirms having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement misleading. The Manager also confirms that this Prospectus includes particulars given in compliance with the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* and the *Code on Unit Trusts and Mutual Funds* (the "Code") and the "Overarching Principles" of the SFC *Handbook for Unit Trusts and Mutual Funds, Investment-Linked Assurance Schemes and Unlisted Structured Investment Products* for the purposes of giving information with regard to the Units of the Sub-Funds. 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. The Trust and each Sub-Fund are authorised by the SFC in Hong Kong under Section 104 of the Securities and Futures Ordinance. The SFC takes no responsibility for the financial soundness of the Trust, the Sub-Funds or for the correctness of any statements made or opinions expressed in this Prospectus. SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its 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.

Dealings in the Listed Class of Units of Premia CSI Caixin China Bedrock Economy ETF, Premia CSI Caixin China New Economy ETF, Premia Asia Innovative Technology ETF, Premia Dow Jones Emerging ASEAN Titans 100 ETF, Premia US Treasury Floating Rate ETF and Premia MSCI Vietnam ETF on The Stock Exchange of Hong Kong Limited (the "SEHK") have already commenced. The Listed Class of Units of Premia CSI Caixin China Bedrock Economy ETF, Premia CSI Caixin China New Economy ETF, Premia Asia Innovative Technology ETF, Premia Dow Jones Emerging ASEAN Titans 100 ETF, Premia US Treasury Floating Rate ETF and Premia MSCI Vietnam ETF have been accepted as eligible securities by Hong Kong Securities Clearing Company Limited ("HKSCC") for deposit, clearance and settlement in the Central Clearing and Settlement System ("CCASS").

Application has been made to the Listing Committee of SEHK for the listing of, and permission to deal in the Units of Premia China Treasury and Policy Bank Bond Long Duration ETF and Premia China USD Property Bond ETF. Subject to compliance with the admission requirements of HKSCC, the Units of Premia China Treasury and Policy Bank Bond Long Duration ETF and Premia China USD Property Bond ETF will be accepted as eligible securities by HKSCC for deposit, clearing and settlement in the CCASS with effect from the date of commencement of dealings in the Units of Premia China Treasury and Policy Bank Bond Long Duration ETF and Premia China USD Property Bond ETF on the SEHK or such other date as may be determined by HKSCC. 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 CCASS and CCASS 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 US Person (as defined in Regulation S of the Securities Act). The Trust and the Sub-Funds 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.

Except in a transaction which does not violate the US Securities Act, 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", as defined in the U.S. "Regulation S" adopted by the Securities and Exchange Commission (the "SEC").

The Manager may impose restrictions on the Unitholders by any "U.S. Person" and operate (i) compulsory redemption of Units or (ii) transfer of Units held by such "U.S. Person".

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.

"U.S. Person" means: (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.

Furthermore, distribution of this Prospectus shall not be permitted unless it is accompanied by a copy of the latest annual financial statements of the Sub-Funds (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 Trust's website (www.premia-partners.com) the contents of which, and of any other websites referred to in this Prospectus, have not been reviewed by the SFC. This Prospectus 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 the Sub-Funds) by contacting the Manager at its address as set out in the Directory of this Prospectus or calling the Manager on +852 2950 5777 during normal office hours.

DIRECTORY

Manager
Premia Partners Company Limited
12/F, Baskerville House
13 Duddell Street
Central
Hong Kong

Investment Advisor for Premia China Treasury and Policy Bank Bond Long Duration ETF
BOCHK Asset Management Limited
5/F Bank of China Building,
2A Des Voeux Road Central,
Hong Kong

Trustee and Registrar
HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central,
Central, Hong Kong

Custodian
The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road, Central, Hong Kong

Participating Dealers#
Please refer to the relevant Appendix of each Sub-Fund

Market Makers#
Please refer to the relevant Appendix of each Sub-Fund

Legal Counsel to the Manager
Simmons & Simmons
13/F, One Pacific Place
88 Queensway
Hong Kong

Clifford Chance
27th Floor Jardine House
One Connaught Place
Hong Kong

Auditor
PricewaterhouseCoopers
22/F, Prince's Building
10 Chater Road
Central
Hong Kong

Conversion Agent or Service Agent
HK Conversion Agency Services Limited
10/F, One International Finance Centre
1 Harbour View Street
Central
Hong Kong

Listing Agent
Altus Capital Limited
21 Wing Wo Street
Central
Hong Kong

Please refer to the Manager's website for the latest lists of Market Makers and Participating Dealers

CONTENTS

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-Funds established under the Trust and listed on the SEHK.

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.

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.

"ADBC" means the Agricultural Development Bank of China.

"After Listing" means the period which commences on the Listing Date and continues until the Sub-Funds are terminated.

"A-Shares" means shares issued by companies incorporated in the PRC and listed on the SSE or the SZSE, traded in RMB and available for investment by domestic investors through Stock Connect.

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

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

"Application Unit" means such number of Units or whole multiples thereof as specified in this Prospectus or such other number of Units determined by the Manager, approved by the Trustee and notified to the Participating Dealers.

"Base Currency" means, unless otherwise specified, the currency in which the records and financial reports of the Trust or a Sub-Fund, as appropriate, are for the time being maintained in accordance with Clauses 19.1 and 19.2 of the Trust Deed.

"Business Day" in respect of the Sub-Funds, means, unless the Manager and the Trustee otherwise agree, a day on which (a)(i) the SEHK is open for normal trading; and (ii) the relevant market on which Securities comprised in the Index are traded is open for normal trading or if there are more than one such market, the market designated by the Manager is open for normal trading, and (b) 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, 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 an amount payable by a Participating Dealer for the account of the Sub-Fund in respect of a Default, as set out in the Trust Deed, the Participation Agreement and/or 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 CCASS.

"CCDC" means the China Central Depository and Clearing Company Limited.

"CDB" means the China Development Bank.

"CFETS" means the China Foreign Exchange Trade System & National Interbank Funding Centre.

"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).

"Conversion Agency Agreement" means the agreement by which the Conversion Agent agrees with the Manager to provide its services entered amongst the Manager, the Conversion Agent and HKSCC.

"Creation Application" means an application by a Participating Dealer for the creation and issue of Listed Class of Units in an Application Unit size (or whole multiples thereof) in accordance with the Operating Guidelines and the Trust Deed.

"CSDCC" means the China Securities Depository and Clearing Co., Ltd.

"CSRC" means the China Securities Regulatory Commission.

"CMU" means the Central Moneymarkets Unit.

"Custodian" means The Hongkong and Shanghai Banking Corporation Limited.

"Dealing Day" means each Business Day during the continuance of the Sub-Funds, and/or such other day or days as the Manager may from time to time determine in consultation with the Trustee. *C7*

"Dealing Deadline" in relation to any particular place and any particular Dealing Day, means the time on 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.

"Default" means a failure by a Participating Dealer in respect of:

(a) a Creation Application to deliver the requisite Securities and/or any relevant cash amount; or

(b) a Redemption Application to deliver the Listed Class of Units the subject of the Redemption Application and/or relevant cash amount.

"Deposited Property" means, in respect of a 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 Sub-Fund but excluding (i) Income Property standing to the credit of the distribution account (other than interest earned thereon), and (ii) any other amount for the time being standing to the credit of the distribution account.

"Duties and Charges" means, in relation to any particular transaction or dealing, all stamp and other duties, taxes, government charges, brokerage, 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, transfer, cancellation or redemption of Units or the acquisition or disposal of Securities 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 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 in the Trust Fund for the purpose of such issue or redemption of Units and (b) (in the case of an issue of Units) the prices which would be used when acquiring the same Securities if they were acquired by the Trust with the amount of cash received by the Trust upon such issue of Units and (in the case of a redemption of Units) the prices which would be used when selling the same Securities 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 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).

"EIBC" means the Export-Import Bank of China.

"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 Participation Agreement, the Trust Deed or any agreement between the Manager, the Trustee and the relevant Participating Dealer.

"Extension Fee" means 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.

"HKD" means Hong Kong dollars, the lawful currency 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.

"Hong Kong" means the Hong Kong Special Administrative Region of the PRC.

"Government and other Public Securities" 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. 7.5

"Income Property" means, in respect of the Sub-Funds, (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-Funds (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-Funds in respect of an Application; (d) all Cancellation Compensation received by the Trustee for the account of the Sub-Funds; 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-Funds or previously distributed to Unitholders; (iii) gains for the account of the Sub-Funds arising from the realisation of Securities; and (iv) any sums applied towards payment of the fees, costs and expenses payable by the Trust from the Income Property of the Sub-Funds.

"Index" means, in respect of a Sub-Fund, the index against which the relevant Sub-Fund is benchmarked as set out in the relevant Appendix.

"Index Provider" means, in respect of a Sub-Fund, the person responsible for compiling the Index against which the relevant 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, in respect of each Sub-Fund, Securities of those companies which are at the relevant time the constituent stocks of the Underlying Index of the relevant Sub-Fund, any Securities used to track the performance of such Securities constituting the Underlying Index at the relevant time or such other Securities designated by the Manager.

"Initial Issue Date" means the date of the first issue of Units, which shall be the Business Day immediately before the Listing Date.

"Initial Offer Period" means, in respect of each Sub-Fund the period before the relevant Listing Date 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.

"Investment Delegate" has the meaning as set out in the Code and includes such person or persons (if any) for the time being duly appointed by the Manager as an investment adviser in respect of a Sub-Fund and any Investment Delegates of a Sub-Fund in succession thereto.

"Issue Price" means the price at which Units may be issued, determined in accordance with the Trust Deed.

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

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

"Macau" means the Macao Special Administrative Region of the People's Republic of China.

"Manager" means Premia Partners Company 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 under 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; and

(b) in relation to any futures contract: the Hong Kong Futures Exchange or such other futures exchange from time to time determined by the Manager,

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 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 a broker or dealer permitted by the SEHK to act as such by making a market for the Listed Class of Units in the secondary market on the SEHK.

“MOF” means the Ministry of Finance (中華人民共和國財政部) of the PRC.

“Multi-Counter” means the facility by which the Listed Class of Units of a Sub-Fund traded in more than one currency (HKD, RMB and/or USD) are each assigned separate stock codes on the SEHK and are accepted for deposit, clearance and settlement in CCASS in more than one eligible currency (HKD, RMB and/or USD) as described in the relevant Appendix of this Prospectus.

“Net Asset Value” or "NAV" means the net asset value of a Sub-Fund or, as the context may require, the net asset value of a Unit calculated under the Trust Deed.

"Net Derivative Exposure" shall be calculated in accordance with the Code, the Guide on the Use of Financial Derivative Instruments for Unit Trusts and Mutual Funds issued by the SFC on 17 December 2018, the requirements and guidance issued by the SFC which may be updated from time to time.

“Operating Guidelines” means the guidelines for the creation and redemption of Listed Class of Units of a class as set out in the schedule to each Participation 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 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 class of Listed Class of Units applicable at the time of the relevant Application.

“Participating Dealer” means 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 Participation Agreement in form and substance acceptable to the Manager and 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.

“Participation Agreement” means 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), each of HKSCC and the Conversion Agent, setting out, (amongst other things), the arrangements in respect of the issue of Listed Class of Units and the redemption and cancellation of Listed Class of Units. References to the Participation Agreement shall, where appropriate, mean the Participation Agreement, read together with the Operating Guidelines.

“PBOC” means the People’s Bank of China.

“PD Agent” means 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 CCASS) in CCASS and who has been appointed by a Participating Dealer as its agent for the creation and redemption of Listed Class of Units.

“PRC” means the People’s Republic of China, excluding for the purposes of interpretation of this Prospectus only, Hong Kong, Macau and Taiwan.

“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 an application by a Participating Dealer for the redemption of Listed Class of Units in Application Unit size (or whole multiples thereof) in accordance with the Operating Guidelines and the Trust Deed.

“Redemption Value” means, in respect of a Listed Class of Unit, 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 Sub-Fund.

“Reverse Repurchase Transactions” means transactions whereby a Sub-Fund purchases securities from a counterparty of Sale and Repurchase Transactions and agrees to sell such securities back at an agreed price in the future.

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

“RQFII” is as defined in the “QFI Regime" section.

“SAFE” means the State Administration of Foreign Exchange of the PRC.

“SAT” means the State Administration of Taxation of the PRC.

“Sale and Repurchase Transactions” means transactions whereby a Sub-Fund sells its securities to a counterparty of Reverse Repurchase Transactions and agrees to buy such securities back at an agreed price with a financing cost in the future.

“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.

“Securities Financing Transactions” means Securities Lending Transactions, Sale and Repurchase Transactions and Reverse Repurchase Transactions.

“Securities Lending Transactions” means transactions whereby a Sub-Fund lends its securities to a security-borrowing counterparty for an agreed fee.

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

“Service Agent” or “Conversion Agent” means HK Conversion Agency Services Limited or such other person as may from time to time be appointed to act as service agent or conversion agent (as the case may be) in relation to a Sub-Fund.

"Service Agent's Fee" means the fee which may be charged for the benefit of the Service Agent 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 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 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 class or classes of Units.

"SFC" means the Securities and Futures Commission of Hong Kong or its successors.

"SFO" means the Securities and Futures Ordinance (Cap. 571) of Hong Kong.

"SSE" means the Shanghai Stock Exchange.

"Stock Connect" means the securities trading and clearing linked programme with an aim to achieve mutual stock market access between mainland China and Hong Kong, comprising the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

"SZSE" means the Shenzhen Stock Exchange.

"Substantial Financial Institution" means an authorized institution as defined in section 2(1) of the Banking Ordinance (Chapter 155 of Laws of Hong Kong) or a financial institution which is on an ongoing basis subject to prudential regulation and supervision, with a minimum Net Asset Value of HK$2 billion or its equivalent in foreign currency.

"Sub-Fund" means a segregated pool of assets and liabilities into which the Trust Fund is divided, established under the Trust Deed and the relevant supplemental deed as a separate trust as described in the relevant Appendix.

"Transaction Fee" means the fee, in respect of the Sub-Funds, which may be charged for the benefit of the Conversion Agent, the Service Agent, the Registrar and/or the Trustee 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 Premia ETF Series 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 18 September 2017 between the Manager and the Trustee constituting the Trust (as amended from time to time).

"Trust Fund" means all the property held or deemed to be held by the Trustee in respect of each Sub-Fund, including the Deposited Property and Income Property attributable to the relevant Sub-Fund, except for amounts to be distributed, in accordance with the Trust Deed.

"Trustee" means HSBC Institutional Trust Services (Asia) 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.

"UCITS" means undertakings for collective investment in transferable securities.

"UCITS Directive" means Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS), as may be amended, supplemented, substituted, re-issued or re-enacted from time to time.

"Underlying Index" means the index or benchmark, against which a Sub-Fund tracks, replicates or corresponds.

“Unit” means a unit representing an undivided share in 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 registered.

“Unlisted Class of Units” means one or more class(es) of Units of a Sub-Fund which is/are neither listed on the SEHK nor any other Recognised Stock Exchange.

“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 constituting the Index 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 and redemption of Units.

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 and each Sub-Fund falls within Chapter 8.6 of the Code. SFC authorisation is not a recommendation or endorsement of a Sub-Fund nor does it guarantee the commercial merits of a Sub-Fund or its performance. It does not mean that a Sub-Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Manager has confirmed with its legal adviser that (a) as a matter of Hong Kong law, the provisions of the Trust Deed concerning the segregation of assets and liabilities of each sub-fund established under the Trust Deed, including the Sub-Funds, are valid, binding and enforceable against all persons who are parties to or expressed to be bound by the Trust Deed or who have dealings with the Trustee or the Manager for and on behalf of the Trust; and (b) although the Trust Deed contains provisions which segregate the Sub-Funds, and their respective assets, and limit the recourse of unitholders to the relevant Sub-Fund(s) in respect of which they hold units, the Trust Deed also recognises that the Trustee may incur expenses and liabilities on behalf of the Sub-Funds generally and that such expenses and liabilities may then be allocated to one or more Sub-Funds in such proportion as the Manager considers to be appropriate. There is however no guarantee that the courts of any jurisdiction outside Hong Kong will recognise and give effect to the concept of segregated liability between Sub-Funds. There is a risk that a court may, in some circumstances, treat the Sub-Funds as one trust rather than as separate trusts and that the assets of one Sub-Fund may be used to satisfy the liabilities of another Sub-Fund (if for example, a Sub-Fund is unable to fully discharge the liabilities which relate to it). Therefore, although this risk can be minimised by careful administration (for example, if all contracts with third parties in respect of a Sub-Fund contain a form of limited recourse wording and clearly specify the Sub-Fund to which the contracts relate), any risk of cross-liability is reduced but not completely eradicated. Based on the foregoing, the Trust provides equivalent protection in terms of segregation to that provided for shareholders/unitholders in UCITS according to the requirements of the UCITS Directive.

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. All Sub-Funds will be exchange traded funds 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, 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.

THE OFFERING PHASES FOR LISTED CLASS OF UNITS

Initial Offer Period

During the Initial Offer Period, Participating Dealers (acting for themselves or for their clients) may apply for Listed Class of 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 Manager (with a copy to the Trustee and 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 Trustee 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 of Units specified in the relevant Appendix. Participating Dealers (acting for themselves or for their clients) can apply for Listed Class of Units on each Dealing Day at the Issue Price.

Please refer to the section on "Creations and Redemptions (Primary Market)" 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 of Units in either of the following two ways:

(a) buy and sell Units on the SEHK; or

(b) apply for creation and redemption of Units through Participating Dealers.

Buying and selling of Listed Class of Units on the SEHK

After Listing, all investors can buy and sell Listed Class of 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 due to market demand and supply, liquidity and scale of trading spread for the Listed Class of Units in the secondary market. As a result, the market price of the Listed Class of Units in the secondary market may be higher or lower than Net Asset Value per Unit.

Please refer to the section on "Exchange Listing and Trading (Secondary Market)" for further information in respect of buying and selling of Listed Class of Units on the SEHK.

Creations and Redemptions Through Participating Dealers

Listed Class of 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 Manager (with a copy to the Trustee) before the Dealing Deadline on the relevant Dealing Day. If an Application is received on a day which is not a Dealing Day or is received after the relevant Dealing Deadline on 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. 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 in cash for subscribing Listed Class of Units in cash is due by such time as agreed in the Operating Guidelines on the relevant Dealing Day, unless the Manager agrees with the relevant Participating Dealer to accept later settlement generally or in any particular case.

Settlement of Units for redeeming Listed Class of 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 of Units, all settlement is in the Base Currency of the relevant Sub-Fund only.

After Listing, all Listed Class of 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 Listed Class of Units. The beneficial interests in Listed Class of 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

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

The purpose of the Initial Offer Period is to enable Participating Dealers to subscribe for Listed Class of 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 of 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 of 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 of 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 Units on their behalf.

After Listing

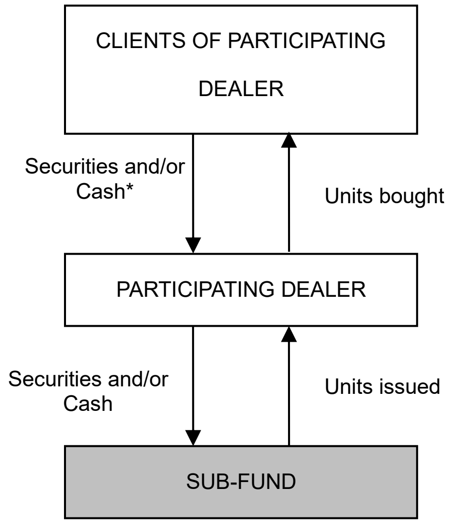
"After Listing" commences on the Listing Date and continues until the Trust is terminated.

All investors may buy and sell Listed Class of 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 of Units in the primary market.

Diagrammatic Illustration of Investment in a Sub-Fund

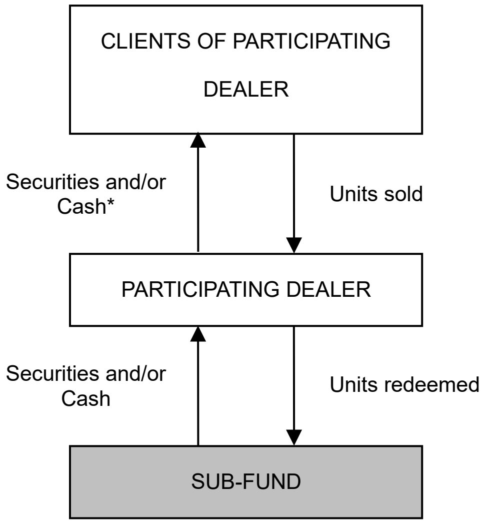
The diagrams below illustrate the issue or redemption and the buying or selling of Listed Class of Units:

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



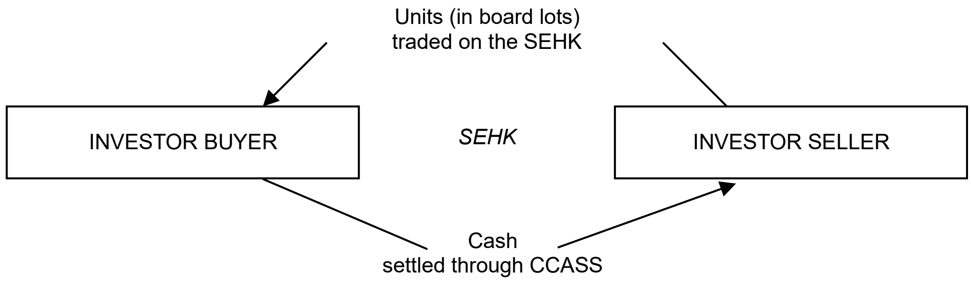
** Clients of a Participating Dealer may agree with the Participating Dealer settlement in a different currency to the creation currency.*

(b) Redemption and sale of Listed Class of 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 of Units in the secondary market on the SEHK – After Listing



Summary of Offering Methods and Related Fees

Initial Offer Period

Method of Offering*	Minimum Number of Listed Class of 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 Transaction Fee Any fees and charges imposed by the Participating Dealer (payable to the Participating Dealer in the currency determined by or agreed with it) 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 Cash component Transaction Fee Any fees and charges imposed by the Participating Dealer (payable to the Participating Dealer in the currency determined by or agreed with it) Duties and Charges

After Listing

Method of Acquisition or Disposal of Listed Class of Units*	**Minimum Number of Listed Class of Units (or multiple thereof)**	**Channel**	**Available to**	**Consideration, Fees and Charges****
Purchase and sale in cash through brokers on the SEHK (secondary market)	Board lot size (see relevant Appendix)	On the SEHK	Any investor	Market price of Listed Class of Units on SEHK 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 Transaction Fee Any fees and charges imposed by the Participating Dealer (payable to the Participating Dealer in the currency determined by or agreed with it) 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 Cash component Transaction Fee Any fees and charges imposed by the Participating Dealer (payable to the Participating Dealer in the currency determined by or agreed with it) Duties and Charges

* *The methods of creation available to the Participating Dealers in respect 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.*

INVESTMENT OBJECTIVE, STRATEGY AND RESTRICTIONS, SECURITIES LENDING AND BORROWING

Investment Objective

The investment objective of each 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.

Investment Strategy

Each Sub-Fund will adopt either a full replication or an optimised representative sampling strategy. The investment strategy of each Sub-Fund is stated in the relevant Appendix.

Replication Strategy

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

Optimised 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 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 that are included in the relevant Index, and may hold a portfolio of Securities 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 comprising the Index. The Manager may therefore, in the appropriate circumstances, choose to use an optimised representative sampling strategy, having regard to the number of Securities constituting the Index, the liquidity of such Securities, any restrictions on the ownership of such Securities, 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.

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

Stock Connect

The Stock Connect is a securities trading and clearing linked programme developed by the HKEx, the SSE, the SZSE and the CSDCC, with an aim to achieve mutual stock market access between mainland China and Hong Kong. It comprises the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

Each of the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect comprises a Northbound Trading Link and a Southbound Trading Link. Under the Northbound Trading Link, Hong Kong and overseas investors (including a Sub-Fund), through their Hong Kong brokers and securities trading service companies (in Shanghai and Qianhai Shenzhen respectively) established by the SEHK and the HKSCC, are able to trade eligible shares listed on the SSE or the SZSE by routing orders to the SSE or the SZSE (as the case may be). Under the Southbound Trading Link, eligible investors, through PRC securities firms and securities trading service companies established by the SSE and the SZSE, are able to trade eligible shares listed on the SEHK by routing orders to the SEHK.

Eligible securities

Initially, Hong Kong and overseas investors are only able to trade certain stocks listed on the SSE market (the "SSE Securities") and the SZSE market (the "SZSE Securities"). SSE Securities include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding H Shares listed on the SEHK, except the following:

a) SSE-listed shares which are not traded in RMB; and

b) SSE-listed shares which are included in the "risk alert board".

For the avoidance of doubt, currently not all of the A-Shares listed on the STAR Board of the SSE are eligible for trading via the Shanghai-Hong Kong Stock Connect.

SZSE Securities will include all the constituent stocks of the SZSE Component Index and the SZSE Small/Mid Cap Innovation Index which have a market capitalisation of not less than RMB 6 billion, and all the SZSE-listed A-Shares which have corresponding H shares listed on SEHK, except the following:

a) SZSE-listed shares which are not traded in RMB; and

b) SZSE-listed shares which are included in the "risk alert board".

At the initial stage of Shenzhen-Hong Kong Stock Connect, shares listed on the ChiNext Board of SZSE under Northbound Trading Link will be limited to institutional professional investors. Subject to resolution of related regulatory issues, other investors may subsequently be allowed to trade such shares.

It is expected that the list of eligible securities will be subject to review.

Trading day

Investors (including a Sub-Fund) will only be allowed to trade on the other market on days where both markets are open for trading, and banking services are available in both markets on the corresponding settlement days.

Trading quota

Trading under the Stock Connect will be subject to a daily quota ("Daily Quota"), which will be separate for Northbound and Southbound trading, for each of the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Stock Connect each day. The quotas do not belong to any Sub-Fund and are utilised on a first-come-first-serve basis. The SEHK monitors the quota and publishes the remaining balance of the Northbound Daily Quota at scheduled times on the HKEx's website. The Daily Quota may change in future. The Manager will not notify investors in case of a change of quota.

Settlement and Custody

The HKSCC is responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by Hong Kong market participants and investors. Accordingly investors do not hold SSE Securities or SZSE Securities directly – these are held through their brokers' or custodians' accounts with CCASS. C26

Corporate actions and shareholders' meetings

Notwithstanding the fact that HKSCC does not claim proprietary interests in the SSE Securities or SZSE Securities held in its omnibus stock account in the CSDCC, the CSDCC as the share registrar for SSE or SZSE listed companies still treats the HKSCC as one of the shareholders when it handles corporate actions in respect of such SSE Securities or SZSE Securities. The HKSCC will monitor the corporate actions affecting SSE Securities or SZSE Securities and keep the relevant CCASS participants informed of all such corporate actions that require CCASS participants to take steps in order to participate in them.

Currency

Hong Kong and overseas investors (including a Sub-Fund) will trade and settle SSE Securities and SZSE Securities in RMB only.

Trading fees and taxes

In addition to paying trading fees and stamp duties in connection with A-Share trading, a Sub-Fund may be subject to other fees and taxes concerned with income arising from stock transfers which are determined by the relevant authorities.

Coverage of Investor Compensation Fund

Hong Kong's Investor Compensation Fund is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong. From 1 January 2020, the Hong Kong Investor Compensation Fund also covers investors' losses in relation to securities traded on a stock market operated by the Shanghai Stock Exchange or the Shenzhen Stock Exchange and in respect of which an order for sale or purchase is permitted to be routed through the northbound link of a Stock Connect arrangement. On the other hand, since a Sub-Fund is carrying out Northbound trading through securities brokers in Hong Kong but not PRC brokers, such trading is not protected by the China Securities Investor Protection Fund (中國投資者保護基金) in the PRC. Further information about the Stock Connect is available at the website: http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm.

Investment in China interbank Bond Market ("CIBM") via Northbound Trading Link under Bond Connect

Bond Connect is a new initiative launched in July 2017 for mutual bond market access between Hong Kong and Mainland China ("Bond Connect") established by China Foreign Exchange Trade System & National Interbank Funding Centre ("CFETS"), China Central Depository & Clearing Co., Ltd, Shanghai Clearing House, and Hong Kong Exchanges and Clearing Limited and Central Moneymarkets Unit. The biggest advantage of Bond Connect is that it enables FIIs to trade bonds in the CIBM through an international electronic platform (i.e. Tradeweb or Bloomberg) outside China on which they can obtain bids and quotes from approved onshore market makers (34 approved by CFETS as of 31 December 2018) through a request for quotation (RFQ) process. Bond Connect participants can also leverage on their existing offshore custodian without a need to appoint a bond settlement agent in China.

Bond Connect is governed by rules and regulations as promulgated by the PRC authorities. Such rules and regulations may be amended from time to time and include (but are not limited to):

- the "Interim Measures for the Administration of Mutual Bond Market Access between Mainland China and Hong Kong (Decree No.1 [2017])" (內地與香港債券市場互聯互通 合作管理暫行辦法(中國人民銀行令 [2017] 第 1 號)) issued by the PBOC on 21 June 2017;
- the "Guide on Registration of Overseas Investors for Northbound Trading in Bond Connect" (中國人民銀行上海總部"債券通"北向通境外投資者准入備案業務指引) issued by the Shanghai Head Office of PBOC on 22 June 2017; and
- any other applicable regulations promulgated by the relevant authorities.

Under the prevailing regulations in China, eligible foreign investors will be allowed to invest in the bonds circulated in the PRC inter-bank bond market through the northbound trading of Bond Connect ("Northbound Trading Link"). There will be no investment quota for Northbound Trading Link. Under the Northbound Trading Link, eligible foreign investors are required to appoint the CFETS or other institutions recognised by the PBOC as registration agents to apply for registration with the PBOC. Pursuant to the prevailing regulations in China, an offshore custody agent recognised by the Hong Kong Monetary Authority (currently, the CMU) shall open omnibus nominee accounts with the onshore custody agent recognised by the PBOC (currently, the CCDC and SHCH). All bonds traded by eligible foreign investors will be registered in the name of CMU, which will hold such bonds as a nominee owner.

The Sub-Fund can open sub-accounts with CMU through the Custodian (via its nominee as CMU member) which will maintain the record of the FII's bond holdings. PBOC clarified on 22 June 2017 that FIIs including the Sub-Fund would enjoy the rights and interests of the bonds held for its account according to law. Trading and settlement Unlike CIBM Direct, FIIs including the Sub-Fund under Bond Connect are able to trade directly through the approved offshore trading platforms (which currently include Tradeweb and Bloomberg) by obtaining quotes from approved onshore dealers or market makers (of which there are 56 of them as of Sep 2020 according to ASIFMA) through RFQs and completing trades with them. In addition, FIIs including the Sub-Fund when investing through Bond Connect as well as CIBM Direct are now able to allocate block trades to multiple client accounts (up to 99) prior to the trades. Trading through Bond Connect settles on a DvP basis and FIIs have the option to settle at T, T+1, T+2 and T+3, and even T+4 and beyond for overseas investors that are facing different local holiday arrangements.

Investment Restrictions

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) Where a Sub-Fund holds investments in Securities (other than Government and other Public Securities) issued by a single entity representing more than 5% of the Net Asset Value of the relevant Sub-Fund, such investments shall not in aggregate exceed 40% of the Net Asset Value of the relevant Sub-Fund (save as permitted by Chapter 8.6(h);

(b) the aggregate value of a Sub-Fund's investments in, or exposure to any single entity through the following may not exceed 10% of its total Net Asset Value:

i. investments in securities issued by that entity;

ii. exposure to that entity through underlying assets of FDIs ; and 7.1

iii. net counterparty exposure to that entity arising from transactions of over-the counter FDIs;

For the avoidance of doubt, restrictions and limitations on counterparty as set out in this sub-paragraph (a), sub-paragraph (b), and item (iii) under "Eligible FDIs must meet the following criteria:" in page 26 will not apply to financial derivative instruments that are:

a) transacted on an exchange where the clearing house performs a central counterparty role; and

b) marked-to-market daily in the valuation of their financial derivative instrument positions and subject to margining requirements at least on a daily basis.

This sub-clause (b) applies in cases of exposure of the collateral / re-investment of collateral, or the net single counterpart exposure to a guarantor.

(c) subject to (b) above and paragraph "iii" of the subparagraph "Eligible FDIs must meet the following criteria" in page 26 of the Prospectus, the paragraph below titled "Financial Derivatives" 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 its total Net Asset Value: 7.1A28(c)

i. investments in securities issued by those entities;

ii. exposure to those entities through underlying assets of FDIs; and

iii. net counterparty exposure to those entities arising from transactions of over-the counter FDIs.

For the purposes of sub-clauses (c) and (d) of this paragraph, entities which are included in the same group for the purposes of consolidated financial statements prepared in accordance with internationally recognized accounting standards are generally regarded as "entities within the same group".

This sub-clause will also apply in the case of the fifth bullet point (Diversification) and the ninth bullet point (Re-investment of collateral) of the section titled "Collateral".

(d) 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 its total Net Asset Value.

For the purposes of this prospectus, cash deposits generally refer to those that are repayable on demand or have the right to be withdrawn by the scheme and not referable to provision of property or services.

The cash deposits made with the same entity or entities within the same group may exceed the prescribed 20% limit in the following circumstances:

i. cash held before the launch of a scheme and for a reasonable period thereafter prior to the initial subscription proceeds being fully invested;

ii. cash proceeds from liquidation of investments prior to the merger or termination of a scheme, whereby the placing of cash deposits with various financial institutions would not be in the best interests of investors.; or

iii. cash proceeds received from subscriptions pending investments and cash held for the settlement of redemption and other payment obligations, whereby the placing of cash deposits with various financial institutions be unduly burdensome and the cash deposits arrangement would not compromise investors' interests;

(e) a Sub-Fund may not hold more than 10 per cent. of the Net Asset Value of the ordinary shares issued by any single entity; 7.2

(f) ordinary shares of a single class (other than Government and other public securities) held for the account of a Sub-Fund, when aggregated with other holdings of the same class of ordinary shares 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;

(g) not more than 10% of the 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; 7.3

(h) Notwithstanding paragraphs (b), (d) and (f) of this paragraph entitled "Investment Restrictions", not more than 30% of the Net Asset Value of a Sub-Fund may be invested in Government and other Public Securities of the same issue;

(i) subject to paragraph (h) above or except as permitted by Chapter 8.6(i) of the Code, a Sub-Fund may be fully invested in Government and other Public Securities in at least 6 different issues. Government and other Public Securities will be regarded as being of a different issue if, even through they are issued by the same person, they are issued on different terms whether as to repayment dates, interest rates, the identity of the guarantor, or otherwise;

(j) a Sub-Fund may acquire financial derivative instruments for hedging purposes. If acquiring for non-hedging purposes, the net exposure relating to these FDIs may not exceed 50% of the Sub-fund's Net Asset Value; 7.25 7.26

(k) a Sub-Fund shall not invest in physical commodities unless otherwise approved by the Commission on a case-by-case basis taking into account the liquidity of the physical commodities concerned and availability of sufficient and appropriate additional safeguards where necessary;

(l) where a Sub-Fund invests in units or shares of other collective investment schemes ("underlying schemes") , whereby (a) its net derivative exposure shall not exceed 100% of its total Net Asset Value and it satisfies the requirements of "Investment in other schemes" of the Code; and (b) its objective is not to invest primarily in other managed funds: 7.11B

(1) the value of units or shares in these 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 Net Asset Value of the relevant Sub-Fund, 7.11

(2) such Sub-Fund may invest in one or more underlying schemes which are either 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 (1) and (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; 7.11B

(ii) 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 (including subscription fees) and redemption charges on the underlying scheme(s) must be waived; 7.11C

(iii) 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 any quantifiable monetary benefits in connection with investments in any underlying scheme; 7.11 7.11D

(m) 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, provided that: 7.12

(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 financial 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 master fund must be clearly disclosed;

(3) unless otherwise approved by the SFC, no increase in the overall total of initial charges, redemption charges, 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 paragraph (j)(iii) above, the master fund may invest in other collective investment scheme(s) subject to the investment restrictions as set out in paragraph (k);

(n) a Sub-Fund shall not invest more than 20% of its Net Asset Value in deposits made with the same credit institution, or credit institutions within the same group. Investments in deposits with credit institutions shall be repayable on demand or have the right to be withdrawn, and shall mature in no more than 12 months, provided that the credit institution is subject to applicable prudential rules; 7.1B

(o) a Sub-Fund shall not invest in more than (i) 25% of the total number of units or shares issued by a single underlying scheme, (ii) 10% of the debt securities (other than Government and other Public Securities) of a single issuing body, and (iii) 10% of the money market instruments (other than Government and other Public Securities) of a single issuing body, save that these limits may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue, cannot be calculated;

(p) notwithstanding the individual limits set out in (a) and (o) above, and save as permitted by Chapter 8.6(h) and as varied by 8.6(h)(a) of the Code, a Sub-Fund shall not combine, where this would lead to investment of more than 20% of its Net Asset Value in a single issuer, any of the following: (i) investments in Securities or money market instruments issued by that issuer; (ii) deposits made with that issuer; and (iii) exposures arising from entering into transactions for FDIs with that issuer;

(q) 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 total 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; and 7.42

(r) The Sub-Fund may acquire FDI for hedging or non-hedging purposes subject to the provision in the Financial Derivatives section further below;

save to the extent that any of the above holdings is permitted under the Code.

A Sub-Fund shall not:

(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)) (in investments in such shares and REITS, the investment limits set out in the paragraph entitled "Investment Restrictions" shall apply where applicable; Where investments are made in listed REITS, sub-paragraphs (b) , (d) and (f) under the paragraph titled "Investment Restrictions" apply. Where investments are made in unlisted REITS, which are either companies or collective investment schemes, sub-paragraphs (g) and (h) under the paragraph titled "*Investment Restrictions*" apply.

(c) make short sales if as a result such Sub-Fund would be required to deliver Securities exceeding 10% of the total Net Asset Value of such Sub-Fund (and for this purpose Securities sold short must be actively traded on a market where short selling is permitted). 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; 7.15

(d) subject to section (g) under the section entitled "Investment Restrictions", lend or grant loans 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; 7.17

(e) subject to section (g) under the section entitled "Investment Restrictions", assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person (for the avoidance of doubt, the liability of holders of the Sub-Fund must be limited to their investments in such Sub-Fund); For the avoidance of doubt, reverse purchase transactions in compliance with the requirements in fourth and fifth bullet points of the third paragraph and the fourth paragraph are excluded. 7.17

(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 holders of the Sub-Fund must be limited to their investments in such Sub-Fund); 7.18

(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 which has not been segregated to cover a future or contingent commitment arising from transaction in FDIs for the purposes of the section entitled "Financial Derivatives". 7.18A 7.20

Note: The investment restrictions set out above apply to each Sub-Fund, subject to the following: A collective investment scheme authorised by the SFC under the Code is usually restricted from making investments which would result in the value of that collective investment scheme's holdings of the Securities of any single issuer exceeding 10% of the collective investment scheme's total Net Asset Value. Given the investment objective of the Sub-Funds and nature of the Index, the Sub-Funds are allowed under Chapter 8.6(h) of the Code to hold investments in Securities of any single entity exceeding 10% of the relevant Sub-Fund's latest available Net Asset Value if such constituent Securities account for more than 10% of the weighting of the Index and the relevant Sub-Fund's holding of any such constituent Securities does not exceed their respective weightings in the Index. This requirement however does not apply where: 8.6(h)

i. 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. 8.6(h)(a) (i)-(v)

ii. a Sub-Fund adopts a representative sampling strategy which does not involve full replication of the constituent Securities of the underlying index in the exact weightings of such index;

iii. the strategy is clearly disclosed in the Prospectus;

iv. the excess of the weightings of the constituent securities held by the index fund over the weightings in the index is caused by the implementation of the representative sampling strategy;

v. any excess weightings of the Sub-Fund's holdings over the weightings in the index must be subject to a maximum limit reasonably determined by the Sub-Fund after consultation with the SFC. In determining this limit, the Sub-Fund must consider the characteristics of the underlying constituent Securities, their weightings and the investment objectives of the index and any other suitable factors;

vi. limits laid down by the Sub-Fund pursuant to the point above must be disclosed in the Prospectus;

vii. disclosure must be made in the Sub-Fund's interim and annual reports as to whether the limits imposed by the Sub-Fund itself pursuant to the above point 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.

Subject to the approval of the SFC, more than 30% of the latest available Net Asset Value of the 8.6(i)
relevant Sub-Fund may also be invested in Government and other Public Securities in any number of different issues. However, the Manager may cause a Sub-Fund to deviate from the Index weighting (in pursuing a representative sampling strategy) on condition that the maximum deviation from the index weighting of any constituent will not exceed the percentage as determined by the 8.6(h)
Manager after consultation with the SFC. The Manager shall report to the SFC on a timely basis if there is any non-compliance with this limit. The annual and interim financial statements of the (a)(iv)
relevant Sub-Fund shall also disclose whether or not such limit has been complied with during such period and account for any non-compliance in those reports.

If any of the restrictions or limitations set out above is breached in respect of a Sub-Fund, the Manager will make it a priority objective to take all necessary steps within a reasonable period to remedy such breach, taking into account the interests of the Unitholders of that Sub-Fund.

The Trustee will take reasonable care to ensure compliance with the investment and borrowing limitations set out in the constitutive documents and the conditions under which a Sub-Fund was authorised.

Financial Derivatives

Unless stated in the Appendix of a Sub-Fund, the Manager may invest any Sub-Fund in FDIs (including structured products or instruments) for hedging or non-hedging (i.e. investment) purposes provided that the limit to the Sub-Fund's net derivative exposure relating to these FDI does not exceed 50 per cent. For the avoidance of doubt, the FDI acquired for hedging purposes 7.26
shall not be counted towards the said 50 per cent as long as there is no residual derivative exposure arising from such hedging arrangement. Net derivative exposure shall be calculated in accordance with the Code and the requirements and guidance issued by the SFC which may be updated from time to time.

Where the Manager wishes to start to use FDIs for investment purposes (where not previously permitted in the Appendix) on behalf of a Sub-Fund, the Manager will seek the prior approval of the SFC (to the extent required under applicable regulatory requirements) and provide not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) to the Unitholders of that Sub-Fund before making such investments.

Where indicated in the relevant Appendix, a Sub-Fund may acquire FDIs for hedging purpose. The FDIs shall meet all of the following criteria to be considered as being acquired for hedging purposes:

(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) although they may not necessarily reference to the same underlying assets, 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.

Hedging arrangement should be adjusted or re-positioned, where necessary and with due consideration on the fees, expenses and costs, to enable the Sub-Fund to meet its hedging objective in stressed or extreme market conditions. App C of Authorization Guide

Unless otherwise stated in the relevant Appendix, each 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 of the Code). For the avoidance of doubt:

(a) for the purpose of calculating global exposure, the Net Derivative Exposure shall be used, whereby the derivative positions of the Sub-Fund acquire for investment purposes are converted into the equivalent position in the underlying assets embedded in those 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 position;

(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.

Eligible FDIs must meet the following criteria: 7.28

i. 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 (primarily precious metals such as gold, silver, platinum and crude oil), financial indices, interest rates, foreign exchange rates, currencies, or other asset classes acceptable to the SFC, in which the scheme may invest according to its investment objectives and policies (and where the Sub-Fund invests in index-based FDI, the underlying assets of such FDI are not required to be aggregated for the purposes of the investment restrictions or limitations in the section entitled "Investment Restrictions" provided that the index is in compliance with 8.6(e) of the Code);

ii. the counterparties to transactions of over-the-counter FDIs or their guarantors are Substantial Financial Institutions or such other entity acceptable to the SFC;

iii. subject to paragraphs 7.1 and 7.1A of Chapter 7 of the Code, the Sub-Fund's net counterparty exposure to a single entity arising from transactions of over-the-counter FDIs may not exceed 10% of the Net Asset Value of the Sub-Fund. The exposure of the Sub-Fund to a counterparty of over-the-counter FDIs may be lowered by the collateral received (if applicable) by the Sub-Fund and shall be calculated with reference to the value of collateral and positive mark to market value of the over-the-counter financial derivative instruments with that counterparty, if applicable; 7.28(c)

iv. 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 nominees, agents or Investment Delegates independent of the issuer of the FDI through measures such as the establishment of a valuation committee or engagement of third party services and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the initiative of the Trustee or the Manager, the calculation agent or fund administrator of the Sub-Fund should be adequately equipped with the necessary resources to conduct independent marked-to-market valuation and to verify the valuation of the FDI on a regular basis;

v. notwithstanding the requirement that the Sub-Fund's net counterparty exposure to a single entity arising from transaction of over-the-counter FDI may not exceed 10% of the NAV of the Sub-Fund (as set out in clause 7.28(c) of the Code), a structured fund should maintain full collateralization and there should not be net exposure to any single counterparty of over-the-counter FDI; and

vi. any collateral requirements set out in the paragraph entitled "Investment Restrictions" shall be complied with.

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. For the purposes herein, 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, exclude any cash or near cash for the purpose of meeting a call on any sum unpaid on a security, and cannot be applied for any other purposes. Subject to the above, a transaction in FDIs which gives rise to a future commitment or contingent commitment of a Sub-Fund should also be covered as follows: 7.29 7.30

- 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

- 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. In case of 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. The above policies relating to FDIs apply to financial instruments which embeds a financial derivative as well. For the purposes of this Prospectus, an "embedded FDI" is a financial derivative instrument that is embedded in another security. 7.31

Subject to the restriction as stated in section (i) under the section entitled "Investment Restrictions" and the criteria relating to eligible FDIs under the section entitled "Financial Derivatives", a Sub-Fund may invest in FDIs provided that the exposure to the underlying assets of the FDIs, 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 section entitled "Investment Restrictions". 7.27

Securities Lending

Unless otherwise specified in the Appendix, there is no current intention for any Sub-Fund to engage in securities lending, repurchase or Reverse Repurchase Transactions or other similar over-the-counter transactions (collectively, "Securities Financing Transactions"). Circumstances may change in light of market conditions and where a Sub-Fund does decide to engage in these types of transactions post launch, prior approval shall be obtained from the SFC (to the extent required under applicable regulatory requirements) and no less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) will be given to the Unitholders.

The decision to engage in Securities Financing Transactions will be based on the best interests of Unitholders whilst ensuring associated risks are properly mitigated and addressed.

The Trustee may at its absolute discretion, on the instructions of the Manager, facilitate agency securities lending programmes ("Securities Lending Programmes"), subject to the following:

- such transactions must be conducted through the agency of or directly with a person acceptable to the Manager for this purpose;

- the Manager shall satisfy itself of the adequacy and acceptability of the general terms and conditions of any such Securities Lending Programme and the terms and conditions of each securities loan entered into thereunder (including the fact that each such loan will be adequately collateralised);

- any income arising from such transactions shall, on receipt by the Trustee, after deducting the fees of the agents arranging such transactions, be credited to the relevant Sub-Fund; and

- the Manager shall, having consulted with the Trustee and has decided that it is in the best interests of holders of the Sub-Funds to do so and the associated risks have been 7.32
  properly mitigated and addressed, enter into such Securities Lending Programmes if the Manager has satisfied itself that the requirements of the Code and the following conditions relating to such transactions are complied with, for so long as the relevant Sub-Fund is authorised:

    i. such transactions shall be on arm's length basis;

    ii. any counterparty appointed for the purpose of Securities Lending Programmes, which shall be financial institution subject to ongoing prudential regulation and supervision, must be selected by the Manager with due care and be suitably qualified in the circumstances;

    iii. execution must be consistent with applicable best execution standards;

    iv. the fee or commission paid to any such agency or broker in relation to such transactions must not be greater than that which is payable at the prevailing market rate for a transaction of that size and nature;

    v. such transactions will not (a) subject the relevant Sub-Fund, the Trust and/or the Trustee to unlimited liability; or (b) cause the relevant Sub-Fund, the Trust and/or the Trustee to assume any liability which is unlimited;

    vi. any right of netting or set off under any such agreements shall be limited to the relevant Sub-Fund, the agency or the broker shall not have any right to net or set off amounts owed to or by this Sub-Fund against any amounts owed to or by any another Sub-Fund or to or by the Trustee acting in its personal capacity or on behalf of any other client or trust;

vii. such transactions entered into on behalf of a Sub-Fund are consistent with the policies of such Sub-Funds;

viii. the Manager must monitor such transactions to ensure compliance with its obligations and (in respect of a Sub-Fund which is authorised under Section 104 of the Securities and Futures Ordinance) the requirements of the Code; and

ix. the nature of such transactions and the total commissions and other quantifiable benefits received by such agency or broker shall be disclosed in the Sub-Fund's account referred to in this Deed.

- Where any transaction has been arranged through the Manager or the Trustee or a Connected Person of either of them, the relevant entity shall be entitled to retain for its own use and benefit any fee or benefit it receives on a commercial basis in connection with such arrangement.

A Sub-Fund which engages in Securities Financing Transactions is subject to the following requirements:

- 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; 7.33

- 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 shall be returned to the Sub-Fund;

- it shall ensure that it is able to at any time to recall the securities or the full amount of cash (as the case may be) subject to the Securities Financing Transactions or terminate the Securities Financing Transactions into which it has entered. 7.35

Collateral

7.36

To limit the exposure to each counterparty as set out in the Financial Derivatives and Securities Lending sections hereinafter, a Sub-Fund may receive collateral from such counterparty, provided that the collateral complies with the requirements set out below

- Liquidity – collateral must be sufficiently liquid and tradable in order that it can be sold quickly at a robust price that is close to pre-sale valuation. Collateral 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 a 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. For the avoidance of doubt the price volatility of the asset used as collateral should be taken into account when devising the haircut policy;

- Diversification – collateral must be appropriately diversified so as to avoid concentrated exposure to any single entity and/or entities within the same group. 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 Chapter 7 of the Code;

- 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 it 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 must have appropriate systems, operational capabilities and legal expertise for proper collateral management;

- Independent custody – collateral must be held by the Trustee of the Sub-Fund or by duly appointed nominee, agent or delegate;

- Re-investment of collateral – any re-investment of collateral received for the account of the Sub-Fund shall be subject to the following requirements:

    - 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. Non-cash collateral received may not be sold, re-invested or pledged;

    - the portfolio of assets from re-investment of cash collateral shall comply with the requirements as set out in sections 8.2(f) and 8.2(n) of the Code;

    - cash collateral received is not allowed to be further engaged in any Securities Financing Transactions; and when the cash collateral received is reinvested into other investment(s), such investment(s) is/are not allowed to be engaged in any Securities Financing Transactions;

- Enforceability – collateral must be readily accessible/enforceable by the Trustee or the custodian or a sub-custodian without further recourse to the issuer of the FDIs or the counterparty of the Securities Financing Transactions;

- 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.

Subject to the requirements above, below is a summary of the collateral policy and criteria adopted by the Manager: C2A

- eligible collateral include cash, cash equivalents, government bonds, supranational bonds, corporate bonds, stocks, funds and money market instruments;

- 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.

Debt instruments with loss-absorption features

The Sub-Funds do not invest in debt instruments with loss-absorption features.

Borrowing

Borrowing against the assets of each Sub-Fund is allowed up to a maximum of 10% of its latest available Net Asset Value provided always that back to back borrowings shall not be taken into account when determining whether or not these limits have been breached by the relevant Sub-Fund. For the avoidance of doubt, Securities Lending Transactions and Sale and Repurchase Transactions in compliance with the requirements set out in 7.32 and 7.35 the Code are not subject to this restriction. Where the Manager so determines, a Sub-Fund's permitted borrowing level may be a lower percentage as set out in the relevant Appendix. Any borrowing shall be on a temporary basis only. All borrowing will be done in compliance with the conditions and requirements set out in the Code and the UCITS Directive to ensure that, apart from the providing Unitholders with protection (in terms of borrowing) under the Code, the Trust and the Sub-Funds also provide equivalent protection (in terms of borrowing) to that provided for shareholders/unitholders in UCITS according to the requirements of the UCITS Directive. The Trustee may therefore, at the request of the Manager and within the limits set out above, borrow for the account of a Sub-Fund any currency, and charge or pledge assets of a Sub-Fund, for the following purposes: 7.21

(a) facilitating the creation or redemption of Units or defraying operating expenses;

(b) enabling the Manager to acquire Securities for the account of the Sub-Funds; or

(c) for any other proper purpose as may be agreed by the Manager and the Trustee.

The UCITS Directive provides that borrowing by a UCITS must be on a temporary basis and represent no more than 10% of its assets.

Subject to the above paragraph, borrowing may be effected by the Manager for the account of a Sub-Fund from any person approved by the Manager and the Trustee in writing (including, if a

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banker, the Manager, the Investment Delegate, the Trustee or any of their Connected Persons), so long as that bank charges interest at no higher rate, and any fee for arranging or terminating the loan is of no greater amount than is in accordance with its normal banking practice, the commercial rate for a loan of the size and nature of the loan in question negotiated at arm's length.

Cash Deposits

Where any monies forming part of any Sub-Fund or the distribution account are transferred to a deposit account with the Trustee, the Manager, the Investment Delegate or any of their respective D12
Connected Persons being a banker or other financial institution, such banker or other financial 10.10
institution shall maintain such cash deposit in a manner that is in the best interests of the Unitholders, having regard to the prevailing commercial rate for deposits of a similar type, size and term, in the same currency and with institutions of a similar standing negotiated at arm’s length in accordance with ordinary and normal course of business. Subject thereto such banker or other financial institution shall be entitled to retain for its own use and benefit any benefit it may derive from any monies for the time being in its hands (whether on current or deposit account) as part of the relevant Sub-Fund or of the distribution account (as the case may be).

THE OFFSHORE RMB MARKET

What led to RMB internationalisation?

RMB is the lawful currency of the PRC. RMB is not a freely convertible currency and it is subject to foreign exchange control policies of and repatriation restrictions imposed by the PRC government. Since July 2005, the PRC government began to implement a controlled floating exchange rate system based on the supply and demand in the market and adjusted with reference to a portfolio of currencies. The exchange rate of RMB is no longer pegged to USD, resulting in a more flexible RMB exchange rate system.

Over the past two decades, the PRC's economy grew rapidly at an average annual rate of 9.2% in real terms. This enables it to overtake Japan to become the second largest economy and trading country in the world. The International Monetary Fund has projected that the PRC will contribute to more than one-third of global growth by 2015. As the PRC's economy becomes increasingly integrated with the rest of the world, it is a natural trend for its currency – the RMB, to become more widely used in the trade and investment activities.

Accelerating the pace of the RMB internationalisation

The PRC has been taking gradual steps to increase the use of RMB outside its borders by setting up various pilot programmes in Hong Kong and neighbouring areas in recent years. For instance, banks in Hong Kong were the first permitted to provide RMB deposits, exchange, remittance and credit card services to personal customers in 2004. Further relaxation occurred in 2007 when the authorities allowed PRC financial institutions to issue RMB bonds in Hong Kong. As of the end of August 2020, there are 140 authorised institutions in Hong Kong engaging in RMB business, with RMB deposits amounting to about RMB672 billion, as compared to just RMB63 billion in 2009. As at the end of June 2019, the total size of RMB bond issuances outstanding (including Certificates of Deposit) amounted to about RMB466billion.

The pace of RMB internationalisation has accelerated since 2009 when the PRC authorities permitted cross-border trade between Hong Kong / Macau and Shanghai/four Guangdong cities, and between ASEAN and Yunnan/Guangxi, to be settled in RMB. In June 2010, the arrangement was expanded to 20 provinces / municipalities on the PRC and to all countries / regions overseas. In the first 7 months of 2020, about RMB3,724 billion worth of cross-border trade was settled in Hong Kong using RMB.

RMB deposits in Hong Kong

Data source: Bloomberg, as of end November 2020

Remittances for RMB cross-border trade settlement

Data source: Bloomberg, as of end November 2020

Onshore versus offshore RMB market

Following a series of policies introduced by the PRC authorities, an RMB market outside the PRC has gradually developed and started to expand rapidly since 2009. RMB traded outside the PRC is often referred as "offshore RMB" with the denotation "CNH", which distinguishes it from the "onshore RMB" or "CNY".

Both onshore and offshore RMB are the same currency but are traded in different markets. Since the two RMB markets operate independently where the flow between them is highly restricted, onshore and offshore RMB are traded at different rates and their movement may not be in the same direction. Due to the strong demand for offshore RMB, CNH used to be traded at a premium to onshore RMB, although occasional discount may also be observed. The relative strength of onshore and offshore RMB may change significantly, and such change may occur within a very short period of time.

Notwithstanding that the offshore RMB market showed a meaningful growth during recent years, it is still at an early stage of the development and is relatively sensitive to negative factors or market uncertainties. For instance, the value of offshore RMB had once dropped by 2% against USD in the last week of September 2011 amidst the heavy selloff of the equities market. In general, the offshore RMB market is more volatile than the onshore one due to its relatively thin liquidity.

There have been talks on the potential convergence of the two RMB markets but that is believed to be driven by political decisions rather than just economics. It is widely expected that the onshore and offshore RMB markets would remain two segregated, but highly related, markets for the next few years.

Recent measures

On 19 July 2010, restrictions on interbank transfer of RMB funds were lifted, and permission was granted for companies in Hong Kong to exchange foreign currencies for RMB without limit. One month later, the PRC authorities announced the partial opening up of PRC's interbank bond market for foreign central banks, RMB clearing banks in Hong Kong and Macau and other foreign banks participating in the RMB offshore settlement programme.

The National Twelfth Five-Year Plan adopted in March 2011 explicitly supports the development of Hong Kong as an offshore RMB business centre. Also the PRC Government has given approval for the first non-financial PRC firm to issue RMB-denominated bonds in Hong Kong.

The Shanghai-Hong Kong Stock Connect was launched in November 2014. It is a mutual market access programme that allows investment in eligible Shanghai-listed shares through the SEHK and eligible Hong Kong-listed shares through the SSE. The Shenzhen-Hong Kong Stock Connect (which was launched in December 2016) is also a mutual market access programme that allows investment in eligible Shenzhen-listed shares through the SEHK and eligible Hong Kong-listed shares through the SZSE.

RMB internationalisation is a long-term goal

Given the PRC's economic size and growing influence, RMB has the potential to become an international currency in the same rank as USD and Euro. But the PRC has to first accelerate the development of its financial markets and gradually make RMB fully convertible on the capital account. Although the internationalisation of RMB will bring benefits such as increasing political influence and reduced exchange rate risks, it also entails risks including rising volatility of RMB exchange rate.

The process of RMB internationalisation is a long and gradual one. It took USD many decades to replace the British pound sterling to become a dominant reserve currency. It will also take time for RMB to gain importance in coming years. RMB will not be in a position to challenge the USD's main reserve currency status for some time to come.

THE A-SHARE MARKET

Introduction

The PRC's A-Share market commenced in 1990 with 2 exchanges.

The SSE was established on 26 November 1990 and stocks are further divided into class A-Shares and class B-Shares, with access to A-Shares limited to domestic investors as well as QFIIs and RQFIIs (collectively QFIs) or through Stock Connect only while B-Shares available to both domestic and foreign investors. Bonds traded on the SSE include treasury bonds, local government bonds, corporate bonds (including those approved by the State Development and Reform Commission), corporate bonds with detachable warrants, and convertible corporate bonds. In addition, securities investment funds (including exchange traded funds) and warrants are available for trading on the SSE. As of 2 November 2020, there are 1,804 stocks listed on the SSE with total market capitalisation of RMB 41.79 trillion.

The SZSE was founded on 1 December 1990 stocks are further divided into class A-Shares and class B-Shares, with access to A-Shares limited to domestic investors as well as QFIIs and RQFIIs (collectively QFIs) or through Stock Connect only while B-Shares available to both domestic and foreign investors. As of 2 November 2020 there are 2,322 listed companies, 469 of which are listed on the SZSE main board with total market capitalisation of RMB 8.864 trillion, 982 of which are listed on the small and medium enterprises ("SME") board with total market capitalisation of RMB 13.03 trillion, and 871 of which are listed on the ChiNext (the board mainly for "hi-tech" companies) with total market capitalisation of RMB 10.386 trillion. The SZSE's products cover equities, mutual funds and bonds. The product lines include A-Shares, B-Shares, indices, mutual funds (including exchange traded funds and listed open ended funds), fixed income products (including SME collective bonds and asset-backed securities), and diversified derivative financial products (including warrants and repurchases).

The Main board market is an important part of the Chinese capital market, designed for the listing of large-scale companies and operated in both Shanghai Stock Exchange (stock codes beginning with 60) and Shenzhen Stock Exchange (stock codes beginning with 000). Main board market has higher listing requirements for issuers in terms of operating period, profitability, market capitalization, working capital etc.. As such, most of the listed companies are large mature enterprises, with a large capital scale and stable profitability.

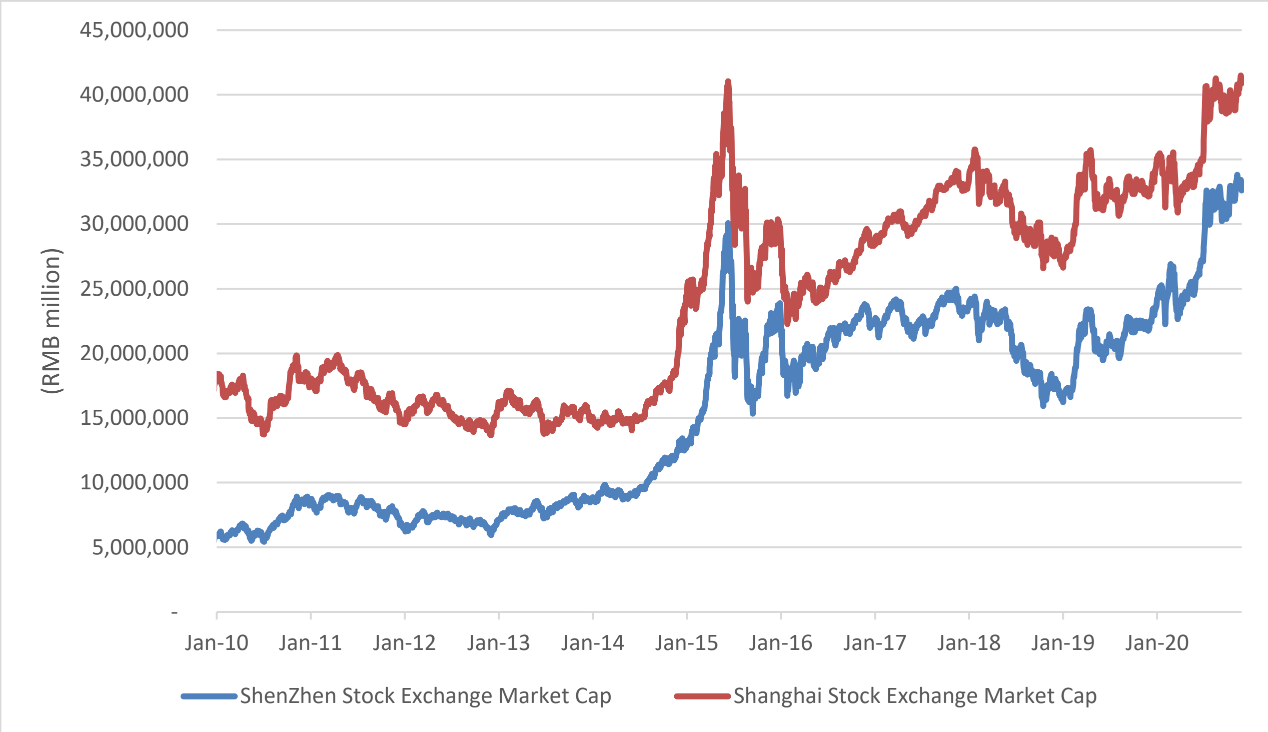
The SSE Science and Technology Innovation Board (SSE STAR Market) is a new trading platform launched on the Shanghai Stock Exchange (SSE) and is independent from the existing main board. It focuses on companies in high-tech and strategically emerging sectors. The pilot registration-based IPO system optimized the issuance conditions, which is a major reform step to simplify the listing process. SSE STAR Market is the core capital platform serving scientific and technological innovation. The SSE STAR Market plays an important role in guiding innovation resources, capital, and personnel development of innovative enterprises.

The A-Shares market has grown significantly in the past 20 years, with the latest total market capitalisation reaching RMB 70,969 billion comprising 3,877 A-Shares listed companies by 2 November 2020. In terms of investor breakdown, there is an increasing number of institutional investors participating in the A-Share market since the inception, which include securities investment funds, social pension funds, qualified foreign institutional investors and insurance companies, ordinary investment institutions. However, on a daily basis, retail investors still make up for the majority of the trading volume.

Development of the A-Share market

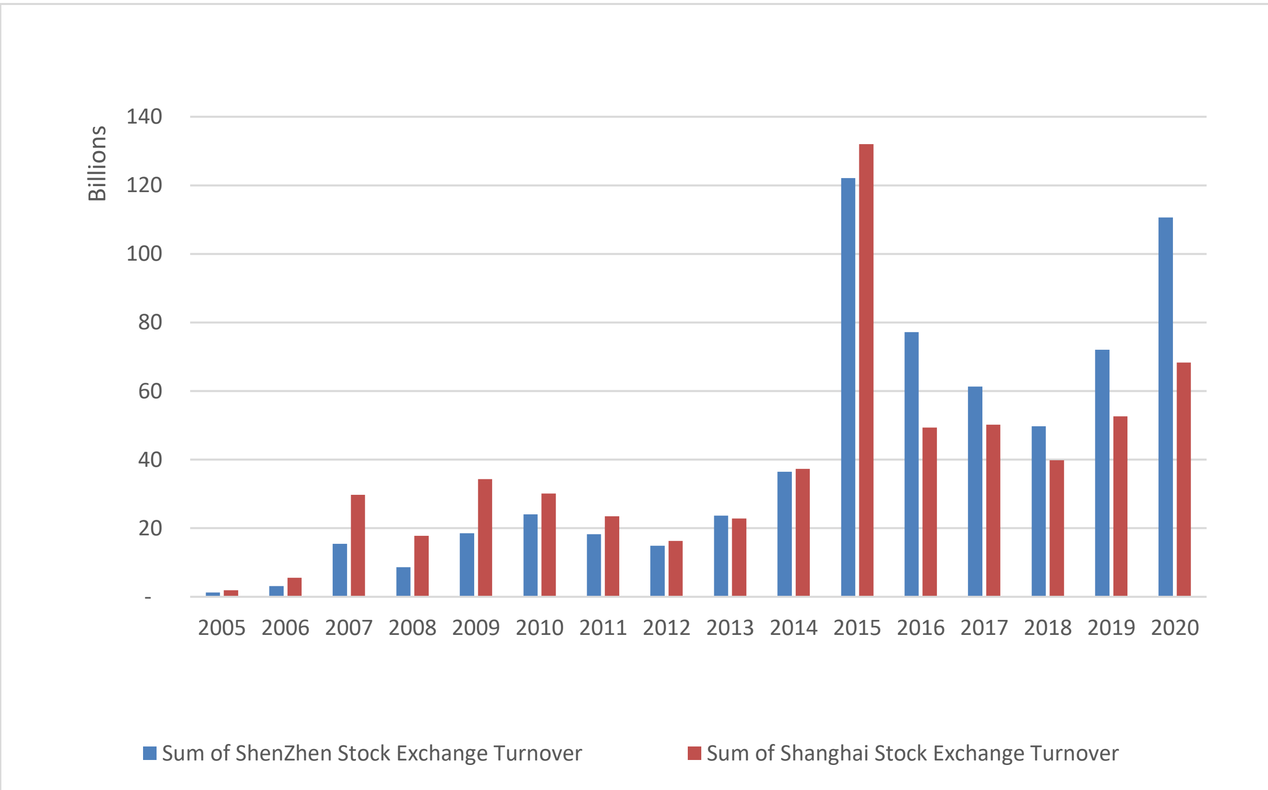
The A-Share market's development is illustrated in the following tables:

Total market capitalisation of A-Shares of both the SSE and the SZSE



Data source: Bloomberg, as of end November 2020

Annual trading volumes (turnover) of A-Shares of both the SSE and the SZSE



Data source: Shanghai Stock Exchange, Shenzhen Stock Exchange as of end November 2020

Differences with the Hong Kong market

The major differences between the A-Share market and the Hong Kong market are set out in the table below:

	PRC	Hong Kong
Key indexes	SSE Composite Index (SHCOMP) / CSI 300 Index (CSI 300) / SZSE Component Index (SZCOMP)	Hang Seng Index (HSI) / Hang Seng China enterprises Index (HSCEI)
Trading band limits	10% / 5% (for ST/S stocks)*	No Limit
Trading lots	SSE and SZSE: 100 shares for BUY / 1 share for SELL**	Each stock has its own individual board lot size (an online broker will usually display this along with the stock price when you get a quote); purchases in amounts which are not multiples of the board lot size are done in a separate "odd lot market".
Trading hours	pre-open: 0915-0925 morning session: 0930-1130 afternoon session: 1300-1500 (1457-1500 is closing auction for the SZSE)	pre-open order input: 0900-0915 pre-order matching: 0915-0920 order matching: 0920-0928 morning session: 0930-1200 afternoon session: 1300-1600 closing auction session: 1600 to a random closing between 1608 and 1610
Settlement	T+1	T+2
Reporting requirements	Annual report: • Full annual report must be disclosed within 4 months after the reporting period. Interim report: • Full report must be disclosed within 2 months after the reporting period. Quarterly report: • Full report must be disclosed within 1 month after the reporting period. The first quarterly report cannot be disclosed before last year's annual report.	Annual report: • Earnings must be disclosed within 3 months after the reporting period; • Full annual report must be disclosed within 4 months after the reporting period. Interim report: • Earnings must be disclosed within 2 months after the reporting period; • Full report must be disclosed within 3 months after the reporting period.

Note:

** 1) ST stocks refer to special treatment stocks, which means special treatment for companies with financial problems (consecutive 2 fiscal years loss or audited net assets per share less than par value in the most recent fiscal year), effective from 22 April 1998. Stocks with ST usually means they have a delisting risk.*

2) S stocks refer to those stocks which have not yet performed the "split share structure reform".

*** Purchasing in an odd lot is not allowed while selling in an odd lot is allowed in the A-Share market, with no price difference between odd lot and round lot trading.*

Overview of China onshore Bond market

The PRC's domestic bond market primarily consists of two markets: the inter-bank bond market and the exchange-traded bond market. Despite some interconnections amongst them, these markets are differentiated by investor segmentation, product segmentation and regulatory separation.

Currently, the inter-bank bond market is much larger in terms of trading volume and is relatively more liquid than the exchange-traded bond market. With its dominant market position, the inter-bank bond market accounts for more than 85% of the total bonds outstanding as of 31 December 2018.

	Inter-bank bond market	**Exchange-traded bond market**
Market size	Approximately RMB67.5 trillion, as at 31 December 2018 (source: CCDC and Shanghai Clearing House)	Approximately RMB9 trillion, as at 31 December 2018 (source: CCDC and Shanghai Clearing House)
Major types of products traded	Treasury Bonds and Policy Bank Bonds, bonds issued by PBOC, financial bonds, enterprise bonds, commercial papers, medium term notes, local government bonds and asset-backed securities	Treasury bonds, local government bonds, enterprise bonds, corporate bonds and convertible bonds
Key market participants	Commercial banks, insurance companies, mutual funds, security companies, foreign investors with RQFII status or via CIBM and Bond Connect	Commercial banks, insurance companies, mutual funds, security companies, foreign investors with QFII or RQFII status or via CIBM, corporations and individual investors
Trading hours	9:00 a.m. to 12:00 p.m. and 1:30 p.m. to 4:30 p.m. (Hong Kong time)	9:00 a.m. to 11:00 a.m. and 1:00 p.m. to 3:00 p.m. (Hong Kong time)
Trading and settlement mechanism	Trading mechanism: a quote-driven over-the-counter market between institutional investors Settlement mechanism: primarily delivery versus payment ("DVP"), on either a T+0 or T+1 settlement cycle	Trading an electronic automatic matching system where securities are traded on the Shanghai Stock Exchange or Shenzhen Stock Exchange Regulator Settlement mechanism: clearing and settlement are through the China Securities Depository and Clearing Co., Ltd（中國證券登記結算有限責任公司）(the "CSDCC") on T+1 settlement cycle
Regulator	PBOC	CSRC

Counterparty with whom investors will trade	The trading counterparty (i.e. the other market participants)	CSDCC, which acts as the central counterparty to all securities transactions on the Shanghai and Shenzhen stock exchanges
Central clearing	CCDC（中央國債登記結算公司）, Shanghai Clearing House	CSDCC
Liquidity	Total trading volume in the 12 months to 31 December 2018 was approximately RMB149.8 trillion (source: CCDC)	Total trading volume in the 12 months to 31 December 2018 was approximately RMB1.7 trillion (source: CCDC)
Associated risks	Interest rate risk, credit risk, counterparty risk	Interest rate risk, credit risk, liquidity risk
Minimum rating requirements	No requirement However, market participants typically require a rating of at least BBB given by a local credit rating agency.	No requirement However, if upon listing a corporate bond or enterprise bond does not have a credit rating of at least "AA" given by a local credit rating agency, then such bond can only be traded on the fixed income electronic platform of the relevant exchange（固定收益證券綜合電子平臺）, which is open only to institutional investors. Bonds that do not satisfy this minimum requirement cannot be traded via the quote-driven platform（競價交易系統）, which is open to all investors, including retail investors.
Types of debt instruments commonly seen and the issuers	Treasury Bonds: issued by Ministry of Finance of the PRC Bonds issued by PBOC Policy Bank Bonds: issued by PRC policy banks (China Development Bank, Agricultural Development Bank of China and Export-Import Bank of China) Financial bonds: issued by	Treasury bonds: issued by Ministry of Finance Local government bonds: issued by local provinces or cities Enterprise bonds: issued by government-related, state-owned or state-held entities Corporate bonds: issued by listed companies

	commercial banks and other financial institutions Non-financial credit bonds: issued by state-owned or state-held entities and corporates Local government bonds: issued by local provinces or cities Foreign bonds: issued by foreign entities	Convertible bonds: issued by listed companies

As at the end of July 2013, the inter-bank bond market had a diversified investor base with over 10,000 members, approximately 5,000 of which have direct access to the centralised trading system, which covers all types of financial institutions such as commercial banks, securities firms, fund houses, insurance companies and various kinds of investment products like mutual funds and pension funds. The remaining approximately 5,000 members, which include small financial institutions and non-financial enterprises, gain access to the market through settlement agencies.

The major types of bonds available in the PRC inter-bank bond market can be grouped into six broad categories: (i) Treasury Bonds issued by Ministry of Finance of the PRC; (ii) bonds issued by the PBOC; (iii) Policy bank bonds issued by policy banks, including China Development Bank, Export-Import Bank of China and Agricultural Development Bank of China; (iv) Financial bonds, including commercial bank bonds and non-bank financial institution bonds; (v) Non-financial credit bonds issued by non-financial institution corporates, including enterprise bonds, commercial papers ("CP"), and medium-term notes ("MTN"); (vi) other types of bonds such as local government bonds issued by provincial or city government, government supporting institutional bonds issued by Central Huijin Investment Limited, China Railway Corporation and Ministry of Railway, foreign bonds issued by foreign entities, assetbacked securities and mortgage-backed securities, etc.

Overview of Treasury Bond

Treasury Bond is debt instrument issued by Ministry of Finance of the PRC. The outstanding amount of Treasury Bonds in the inter-bank bond market is over RMB17,500 billion, comprising approximately 24% of the inter-bank bond market as at 31 October 2019. It has a wide range of tenors and is one of the most liquid types of bonds in the secondary market. With the approval of the National People's Congress, Treasury Bonds are backed by the PRC sovereign's credit. No credit rating is given for onshore Treasury Bonds since these bonds have the same credit rating of the PRC sovereign, which is A+ by Standard & Poor's and A1 by Moody's.

There are two types of Treasury Bonds: Book-entry Treasury Bonds（記賬式國債）and Electronic Savings Treasury Bonds（電子式儲蓄國債）. Some key information on these types of Treasury Bonds is set out below.

	Book-entry Treasury Bonds	**Electronic Savings Treasury Bonds**
Market capitalisation	Approximately RMB 18.2 trillion, as of 31 October 2020 (source: ChinaBond)	Approximately RMB 0.76 trillion, as of 31 October 2020 (source: ChinaBond)
Bonds issuer	Ministry of Finance, PRC	Ministry of Finance, PRC

Key market participants	Institutional investors	Retail investors
Major tenors	From 3 months to 50 years	3 years and 5 years
Trading platform	Inter-bank market, exchange market	Retail bank counters
Liquidity	Good	Moderate
Custodian	CCDC, CSDCC	CCDC

As illustrated in the above table, the target investors of Electronic Savings Treasury Bonds, which can be purchased at retail bank counters are retail investors, whereas Book-entry Treasury Bonds are targeted at institutional market participants, including Premia China Treasury and Policy Bank Bond Long Duration ETF.

Book-entry Treasury Bonds are offered in the primary market by using the PBOC tender system where authorised participants including commercial banks, securities houses and insurance companies can participate and acquire an allocation. Regarding the secondary market, security houses can transfer some of their primary market inventory to stock exchanges for secondary market trading. However, the majority of the secondary liquidity is offered by the inter-bank bond market where different participants transact on an over-the-counter basis. Buyers and sellers can transact directly with agreed price and volume.

Market makers facilitate the secondary market trading by actively quoting bid and offer prices of bonds and acting as counterparties to market participants, while brokers perform the same role by actively providing bonds quotations to proactively match those from potential buyers and sellers. Trades can also be done without brokers. Investors can approach potential counterparties through their traders and do trades directly with their counterparties.

Trades can also be done without brokers. Investors can approach potential counterparties through their traders and do trades directly with their counterparties.

Overview of Policy Bank Bond

"Policy banks" refers to those financial institutions which were established by the Policy Banks Law of 1994 to implement the state policies for financing state-invested projects, promoting industries, and supporting economic and trade development. There are three policy banks: CDB, EIBC and the ADBC. All of them are wholly owned by the state and under the direct jurisdiction of the State Council of the PRC, meanwhile CDB specialises in large infrastructure financing, including most of the funding for Shanghai Pudong International Airport and the Three Gorges Dam; EIBC focuses on trade financing and government concessional loans, and ADBC provides funds for agricultural development projects in rural areas.

All three policy banks fund themselves mainly through bond issuances in the PRC domestic market. As of 31 October 2020, the value of outstanding bonds issued by policy banks was approximately RMB17.6trillion, comprising approximately 24% of total interbank bond market. Among the three policy banks, CDB has RMB9,457 billion outstanding, EIBC has RMB3,406 billion and ADBC has RMB4,759 billion. Policy bank bonds have the same credit ratings of the relevant policy banks. All three policy banks have the credit rating as the PRC sovereign, which are A+ by Standard & Poor's and A1 by Moody's. In the PRC market, Treasury Bonds, Policy Bank Bonds, as well as PBOC bills are called interest rate bonds, by reference to the low risk of credit risk or default.

	CDB	EIBC	ADBC
Market capitalisation	Approximately RMB 9.46 trillion, as of 31 October 2020 (source: ChinaBond)	Approximately RMB 3.41 trillion, as of 31 October 2020 (source: ChinaBond)	Approximately RMB 4.76 trillion, as of 31 October 2020 (source: ChinaBond)
Key market participants	Institutional investors/Retail investors	Institutional investors	Institutional investors
Major tenors	From 1 year to 50 years	6 months and 10 years	6 months and 10 years
Trading platform	Inter-bank market, exchange market	Inter-bank market	Inter-bank market
Liquidity	Good	Good	Good
Custodian Format	Book-entry bond	Book-entry bond	Book-entry bond
Custodian	CCDC, CSDCC	CCDC	CCDC

Similar to Treasury Bonds, Policy Banks Bonds are offered in the primary market by using the PBOC tender system. The main tenor of Policy Bank Bond issuance is from 1 year to 10 years, although there are also shorter-than-one-year bills offer and longer-than-ten-year long bond offer. Unlike Treasury Bonds, the Policy Bank Bonds only exist in book-entry format and are for institutional investors only. Most of them are traded in the inter-bank bond market and custodian under CCDC. The main investors of Policy Bank Bonds are commercial banks, funds, insurance companies and securities houses.

Market makers facilitate the secondary market trading by actively quoting bid and offer prices of bonds and acting as counterparties to market participants, while brokers perform the same role by actively providing bonds quotations to proactively match those from potential buyers and sellers. Trades can also be done without brokers. Investors can approach potential counterparties through their traders and do trades directly with their counterparties.

CREATIONS AND REDEMPTIONS OF LISTED CLASS OF UNITS (PRIMARY MARKET)

Investment in Listed Class of Units of a Sub-Fund

There are 2 methods of making an investment in the Listed Class of Units of a Sub-Fund and of disposing of such Units to realise an investment in a Sub-Fund.

The first method is to create Listed Class of Units at the Issue Price or redeem Listed Class of Units at the Redemption Value directly with the Sub-Fund in the primary market through a Participating Dealer, being a licensed dealer that has entered into a Participation 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 Listed Class of Units which it creates deposited in the USD counter, RMB counter or HKD counter (where available), all creation and redemption for all Listed Class of 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 of 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 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 of Units in the secondary market on the SEHK which is more suitable for retail investors. The secondary market price of Listed Class of Units may trade at a premium or discount to the Net Asset Value of the relevant Sub-Fund.

This section of this Prospectus describes the first method of investment and should be read in conjunction with the Participation Agreement and the Trust Deed. The section on “Exchange Listing and Trading (Secondary Market)” relates to the second method of investment.

Creation of Units Through Participating Dealers

Any application for the creation of Listed Class of 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 Units directly from a Sub-Fund. Only Participating Dealers may submit Creation Applications to the Manager (with a copy to the Trustee and the Registrar).

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 Manager (with a copy to the Trustee and 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 Listed Class of Units of the relevant Sub-Fund, (ii) the redemption of Listed Class of Units of the relevant Sub-Fund, and/or (iii) the determination of Net Asset Value of the relevant Sub-Fund 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 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 of 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 Manager (with a copy to the Trustee and 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 of Units specified in the relevant Appendix. Creation Applications submitted in respect of Listed Class of 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 Manager (with a copy to the Trustee and the Registrar), following receipt of creation requests from clients or where it wishes to create Units of the relevant Sub-Fund for its own account.

If a Creation Application is received on a day which is not a Dealing Day or 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. The current Dealing Deadline After Listing on the relevant Dealing Day is specified in the relevant Appendix, or such other time as the Manager (with the approval of 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 Participation Agreement and the relevant Operating Guidelines;

(b) specify the number of Listed Class of Units and the class of Units (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 of 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 of 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 Sub-Fund, (ii) the redemption of Units of the relevant Sub-Fund, and/or (iii) the determination of Net Asset Value of the relevant Sub-Fund 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 a security (that is a constituent of the Index of the relevant 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 any of the Securities in the relevant Index;

(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, the Registrar, or any agent of the Trustee or the Manager, in relation to the creation of Units in the relevant Sub-Fund are substantially interrupted or closed as a result of or arising from epidemic, 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 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 Trustee to effect (i) for the account of the Sub-Fund, the creation of Listed Class of 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 Units to the Participating Dealer, both in accordance with the Operating Guidelines and the Trust Deed.

Issue of Listed Class of Units

Listed Class of 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) as represents 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 of Units in a Sub-Fund during the relevant Initial Offer Period, the Manager shall procure the creation and issue of Listed Class of Units in that Sub-Fund on the relevant Initial Issue Date.

Listed Class of 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 Listed Class of Unit shall be created or issued by the Trustee.

The creation and issue of Units pursuant to a Creation Application shall be effected on the Dealing Day on which the Creation Application is received (or deemed received) and accepted in accordance with the Operating Guidelines but, for valuation purposes only, Listed Class of 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 is received on a day which is not a Dealing Day or 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.

After consultation with the Manager, the Trustee shall be entitled to refuse to enter (or allow to be entered) Listed Class of 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 Participation Agreement, in regard to the issue of Units, are being infringed.

Fees Relating to Creation Applications

The Conversion Agent, the Service 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 of Units. See the section on "Fees and Expenses" for further details.

In relation to cash creation of Listed Class of 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 of Unit shall not be added to the Issue Price of such 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.

The Trustee, after consultation with the Manager may cancel a creation order in respect of any Listed Class of 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 of 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 of 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 of 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 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 Unit so cancelled Cancellation Compensation, being the amount (if any) by which the Issue Price of each such Unit exceeds the Redemption Value which would have applied in relation to each such Unit if the Participating Dealer had, on the date on which such Units are cancelled, made a Redemption Application, together with charges, expenses and losses incurred by the Sub-Fund 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 Units.

Redemption of Listed Class of Units Through Participating Dealers

Any application for the redemption of Listed Class of Units of 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 Units directly from the relevant Sub-Fund. Only Participating Dealers may submit Redemption Applications to the Manager (with a copy to the Trustee).

A Participating Dealer may redeem 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 Manager (with a copy to the Trustee).

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 Listed Class of Units of the relevant Sub-Fund, (ii) the redemption of Listed Class of Units of the relevant Sub-Fund, and/or (iii) the determination of Net Asset Value of the relevant Sub-Fund 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 in the Index;

(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 of 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 Manager (with a copy to the Trustee). 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 Manager (with a copy to the Trustee), following receipt of redemption requests from clients or where it wishes to redeem Listed Class of Units of the relevant Sub-Fund for its own account.

If a Redemption Application is received on a day which is not a Dealing Day or 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. The current Dealing Deadline After Listing on the relevant Dealing Day is specified in the relevant Appendix, or such other time as the Manager (with the approval of 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 Participation Agreement and the relevant Operating Guidelines;

(b) specify the number of Units and the class of Units (where applicable) which is the subject of the Redemption Application; and

(c) include the certifications required in the Participation Agreement and Operating Guidelines (if any) in respect of redemptions of Listed Class of 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 of 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 Listed Class of Units of the relevant Sub-Fund, (ii) the redemption of Listed Class of Units of the relevant Sub-Fund, and/or (iii) the determination of Net Asset Value of the relevant Sub-Fund 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 a security (that is a constituent of the Index of the relevant 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 any of the Securities in the relevant Index;

(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) during any period when the business operations of the Manager, the Trustee, the Registrar, or any agent of the Trustee or the Manager in relation to the redemption of Listed Class of Units in the relevant Sub-Fund are substantially interrupted or closed as a result of or arising from epidemic, 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 of 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 of 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 of 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 of 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 of Units shall be removed from the Register in respect of those Listed Class of Units redeemed and cancelled on the relevant Settlement Day.

The Redemption Value of Listed Class of Units tendered for redemption and cancellation shall be the Net Asset Value per Unit of a 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). The benefit of any rounding adjustments will be retained by the Sub-Fund. 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 of 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 Conversion Agent, the Service 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. See the section on "Fees and Expenses" for further details.

In relation to cash redemption of Listed Class of Units, notwithstanding the aforesaid regarding the redemption and cancellation of 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 of 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 of 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 of 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 of Unit so cancelled Cancellation Compensation, being the amount (if any) by which the Redemption Value of each such Listed Class of Unit is less than the Issue Price which would have applied in relation to each such Listed Class of 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, 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 an unsuccessful Redemption Application.

Deferred Redemption

In the event that redemption requests are received for the redemption 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 10.8
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 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 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. Units will be redeemed at the Redemption Value prevailing on the Dealing Day on which they are redeemed.

Suspension of Creations and Redemptions

The Manager may (in consultation with the Trustee and having regard to the best interests of the Unitholders and, in respect of redemptions, where practicable following consultation with the relevant Participating Dealers), suspend the creation or issue of Listed Class of Units of any Sub-Fund, suspend the redemption of Listed Class of Units 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 in respect of any Creation Application and/or Redemption Application in the following circumstances: 10.6

(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 a Security (that is a constituent of the Index of the relevant 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 a Security (that is a constituent of the Index of the relevant 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 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, 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) during any period when the relevant Index 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 class or when for any other reason the value of any Securities 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;

(i) during any period when the swap and/or futures contracts (if any) cannot be adjusted or reset for any reason; or

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

The Manager will, in consultation with the Trustee and having regard to the best interests of the Unitholders, suspend the right to subscribe for Units of the relevant Sub-Fund if, or if as a result of the investment of the proceeds of issue of such 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 issuer. In addition, where the Sub-Funds under the Trust hold in aggregate more than the limit of 10% of the ordinary shares issued by any single issuer, 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.

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.premia-partners.com (the contents of which and of other websites referred to in this Prospectus have 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 of Units will be deposited, cleared and settled by the CCASS. Listed Class of 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 Units deposited with the CCASS and is holding such Listed Class of Units for the participants in accordance with the General Rules of CCASS. Furthermore, the Trustee and the Manager acknowledge that pursuant to the General Rules of CCASS neither HKSCC Nominees Limited nor HKSCC has any proprietary interest in the Listed Class of Units. Investors owning Listed Class of 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

The Manager has power to impose such restrictions as it may think necessary for the purpose of ensuring that no 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 of 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.

Upon notice that any Units are so held, the Manager may require such Unitholders to redeem or transfer such Units in accordance with the provisions of the Trust Deed. A person who becomes aware that he is holding or owning 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 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 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 of Units will be held in CCASS, an investor is entitled to transfer Listed Class of 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 Listed Class of 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 of Units are deposited, cleared and settled in CCASS, HKSCC Nominees Limited will be the sole Unitholder, holding such Listed Class of Units for the persons admitted by HKSCC as a participant of CCASS and to whose account any Listed Class of Units are for the time being allocated in accordance with the General Rules of CCASS.

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

General

The purpose of the listing of Listed Class of Units on the SEHK is to enable investors to buy and sell Listed Class of 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 Units in the primary market.

The market price of a Listed Class of Unit listed or traded on the SEHK may not reflect the Net Asset Value per Unit. Any transactions in the Listed Class of 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 of Units are listed on the SEHK they will remain listed.

The Manager will ensure that at least one Market Maker will maintain a market for the Listed Class of Units of each Sub-Fund. Where a Multi-Counter has been adopted in respect of a Sub-Fund the Manager will ensure that there is at least one Market Maker for each available 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 of 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 Units, the Market Makers may make or lose money based on the differences between the prices at which they buy and sell Units, which is to a certain extent dependent on the difference between the purchase and sale prices of the underlying Securities comprised within the Index. Market Makers may retain any profits made by them for their own benefit and they are not liable to account to the Sub-Funds in respect of their profits.

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

Dealings in the Listed Class of Units of Premia CSI Caixin China Bedrock Economy ETF, Premia CSI Caixin China New Economy ETF, Premia Asia Innovative Technology ETF, Premia Dow Jones Emerging ASEAN Titans 100 ETF, Premia US Treasury Floating Rate ETF and Premia MSCI Vietnam ETF on SEHK have already commenced.

Application has been made to the Listing Committee of SEHK for the listing of, and permission to deal in the Units of Premia China Treasury and Policy Bank Bond Long Duration ETF and Premia China USD Property Bond ETF.

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

Listed Class of 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 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 of Units on the SEHK until dealings begin on the SEHK.

Please also refer to the sub-sections on "General", "Renminbi Equity Trading Support Facility" and "Multi-Counter" in the relevant Appendix of the Sub-Fund for additional disclosures on secondary market trading.

SUBSCRIPTION, CONVERSION AND REDEMPTION OF UNLISTED CLASS OF UNITS

This Section contains disclosure relating to the Unlisted Class of Units only. Unless the context otherwise requires, references to "Units" and "Unitholders" in this Schedule shall be construed to refer to an Unlisted Class of Units of a Sub-Fund or an Unitholder of such Units. Save for terms defined below, all other terms used in this Schedule shall have the same meanings as assigned to them under the main part of the Prospectus.

1. SUBSCRIPTION OF UNLISTED CLASS OF UNITS

1.1. Initial Issue of Unlisted Class of Units

During an Initial Offer Period, Unlisted Class of Units in a Sub-Fund will be offered to investors at an initial Subscription Price of a fixed price per Unit as specified in the relevant Appendix section of this Prospectus. In the event that the total amount received by the Trustee from the subscription of the Unlisted Class of Units reaches a maximum amount for aggregate subscriptions (as specified in the relevant Appendix) at any time during an Initial Offer Period, the Manager is entitled (but not obliged) to close the relevant Unlisted Class of Units to further subscriptions before the end of the relevant Initial Offer Period.

Where specified in the relevant Appendix of this Prospectus, the Manager may decide not to issue the relevant Unlisted Class of Units in the event that less than a minimum amount for aggregate subscriptions (as specified in the relevant Appendix) is raised during the relevant Initial Offer Period or if the Manager is of the opinion that it is not commercially viable to proceed. In such event subscription monies paid by an applicant will be returned by cheque by post or by telegraphic transfer or such other means as the Manager and the Trustee consider appropriate at the applicant's risk (without interest and net of expenses) promptly after the expiry of the Initial Offer Period.

Unlisted Class of Units will be issued immediately following the close of the Initial Offer Period or such other Business Day as the Manager may determine. Dealing in Units of the Unlisted Class of Units will commence on the Dealing Day immediately following the closure of the relevant Initial Offer Period.

1.2. Subsequent Issue of Unlisted Class of Units

Following the close of the relevant Initial Offer Period, Unlisted Class of Units will be available for issue on each Dealing Day at the relevant Subscription Price.

The Subscription Price on any Dealing Day will be the price per Unlisted Class of Units ascertained by dividing the Net Asset Value of the relevant class of the Sub-Fund as at the Valuation Point in respect of the relevant Dealing Day by the number of Units of such class of that Sub-Fund then in issue and rounded to 4 decimal places (0.00005 or above being rounded up, and less than 0.00005 being rounded down) or in such manner and to such other number of decimal places as may from time to time be determined by the Manager. Any rounding adjustment will be retained by the relevant class. The Subscription Price will be calculated and quoted in the relevant class currency of the relevant Unlisted Class of Units.

The Manager is entitled to impose a Subscription Fee on the subscription monies for the application for the issue of Unlisted Class of Units. Different levels of Subscription Fee may be imposed, in relation to the issue of such Unlisted Class of Units of different Sub-Funds and also in relation to different classes of Unlisted Class of Units of a Sub-Fund. The Manager may retain the benefit of such Subscription Fee or may pay all or part of the Subscription Fee (and any other fees received) to recognised intermediaries or such other persons as the Manager may at its absolute discretion determine. Details of the Subscription Fee are set out in the "Fees and Charges" section of the relevant Appendix.

In determining the Subscription Price, the Manager is entitled to add an amount it considers represents an appropriate allowance for (a) estimated bid/offer spread of the investments of the relevant Sub-Fund, (b) fiscal and purchase charges, including stamp duty, other taxes, brokerage, bank charges, transfer fees and registration fees, or (c) charges which are customarily incurred in investing a sum equal to the application monies and issuing the relevant Unlisted Class of Units or the remittance of money to the Trustee.

1.3. Application Procedure

To subscribe for Unlisted Class of Units, an applicant should complete a subscription application form (a "Subscription Form") and return the original Subscription Form, together with the required supporting documents, to the Trustee/Registrar by post to its business address or, if the applicant has provided to the Trustee/Registrar with an original fax indemnity in the Subscription Form, by fax to the Trustee/Registrar. The Manager may, in its absolute discretion, accept any applications for subscription made by other written or electronic forms in addition to post and fax.

Applications for Unlisted Class of Units during the relevant Initial Offer Period must be received by the Trustee/Registrar no later than the deadline specified in the relevant Appendix section of this Prospectus. After the Initial Offer Period, applications must be received by the Trustee/Registrar by the relevant Dealing Deadline. Application requests submitted after the applicable Dealing Deadline in respect of any Dealing Day will be dealt with on the next Dealing Day.

Each applicant whose application is accepted will be sent a contract note confirming details of the purchase of Unlisted Class of Units but no certificates will be issued. Applicants may apply for Unlisted Class of Units through a distributor appointed by the Manager. Distributors may have different dealing procedures, including earlier cut-off times for receipt of applications and/or cleared funds. Applicants who intend to apply for Unlisted Class of Units through a distributor should therefore consult the distributor for details of the relevant dealing procedures.

Where an applicant applies for Unlisted Class of Units through a distributor, the Manager and the Trustee will treat the distributor (or its nominee) as the applicant. The distributor (or its nominee) will be registered as Unitholder of the relevant Unlisted Class of Units. The Manager and the Trustee will treat the distributor (or its nominee) as the Unitholder and shall not be responsible for any arrangements between the relevant applicant and the distributor regarding the subscription, holding and redemption of Unlisted Class of Units and any related matters, as well as any costs or losses that may arise therefrom. The Manager will, however, take all reasonable care in the selection and appointment of distributors.

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

The Manager may, at its discretion, reject in whole or in part any application for Unlisted Class of Units. In the event that an application is rejected, application monies will be returned without interest and net of expenses by cheque through the post or by telegraphic transfer or by such other means as the Trustee considers appropriate at the risk of the applicant.

No applications for Unlisted Class of Units will be dealt with during any periods in which the determination of the Net Asset Value of the relevant Sub-Fund is suspended (Please see section "Suspension of Determination of Net Asset Value" for further details).

1.4. Payment Procedure

Subscription monies should be paid in the class currency of the relevant class of Unlisted Class of Units. Subscription monies in cleared funds should be no later than the deadline specified in the relevant Appendix section of this Prospectus or (ii) in the case of applications for Unlisted Class of Units during the Initial Offer Period, the last day of the relevant Initial Offer Period, or such other period as determined by the Manager. Payment details are set out in the Subscription Form.

Subscription monies paid by any person other than the applicant will not be accepted. The Manager may exercise its discretion to accept late payment of subscription monies, provisionally allot Unlisted Class of Units by reference to the Net Asset Value of the relevant class of Units in the relevant Sub-Fund and charge interest on such overdue monies until payment is received in full, at such rate as the Manager thinks appropriate. However, if payment of subscription monies in cleared funds are not made within such period as determined by the Manager, the application may, at the discretion of the Manager, be considered void and cancelled. Upon such cancellation, the relevant Unlisted Class of Units shall be deemed never to have been issued and the applicant shall have no right to claim against the Manager, the Trustee or the Registrar and any loss will be borne by the applicant, provided that: (i) no previous valuations of the relevant Sub-Fund shall be re-opened or invalidated as a result of the cancellation of such Units; (ii) the Manager may require the applicant to pay, for the account of the relevant Sub-Fund, in respect of each such Unit cancelled, the amount (if any) by which the Subscription Price on the relevant Dealing Day exceeds the applicable Redemption Price on the date of cancellation; and (iii) the Trustee shall be entitled to charge the applicant a cancellation fee for the administrative costs involved in processing the application and subsequent cancellation.

Payment in other freely convertible currencies may be accepted. Where amounts are received in a currency other than the relevant class currency, they will be converted into the relevant class currency and the proceeds of conversion (after deducting the costs of such conversions) will be applied in the subscription of Unlisted Class of Units in the relevant class of the relevant Sub Fund. Conversion of currencies may involve delay. Bank charges (if any) incurred in converting the subscription monies shall be borne by the relevant applicant and accordingly will be deducted from the subscription proceeds.

1.5. General

All holdings of Unlisted Class of Units will be in registered form and certificates will not be issued. Evidence of title of Unlisted Class of Units will be the entry on the register of Unitholders in respect of each Sub-Fund. Unitholders should therefore be aware of the importance of ensuring that the Registrar is informed of any change to the registered details. Fractions of a Unit may be issued rounded to the nearest 4 decimal places. Subscription monies representing smaller fractions of a Unit will be retained by the relevant Sub-Fund. A maximum of 4 persons may be registered as joint Unitholders.

2. REDEMPTION OF UNLISTED CLASS OF UNITS

2.1. Redemption Procedure

Unitholders of Unlisted Class of Units who wish to redeem their Units in a Sub-Fund may do so on any Dealing Day by submitting a redemption request to the Trustee/Registrar. Any redemption request must be received by the Trustee/Registrar before the Dealing Deadline. Investors redeeming Unlisted Class of Units through a distributor (or its nominee) should submit their redemption requests to the distributor (or its nominee) in such manner as directed by the distributor (or its nominee). Distributors (or their nominees) may have different dealing procedures, including earlier cut-off times for receipt of redemption requests. Where an investor holds its investment in Unlisted Class of Units through a distributor (or its nominee), the investor wishing to redeem such Units must ensure that the distributor (or its nominee), as the registered Unitholder, submits the relevant redemption request by the Dealing Deadline. Redemption requests submitted after the applicable Dealing Deadline in respect of any Dealing Day will be dealt with on the next Dealing Day.

A redemption request should be given to the Trustee/Registrar in writing and sent by post to the Trustee/Registrar's business address or, if the relevant Unitholder has provided to the Trustee/Registrar with an original fax indemnity, by fax to the Trustee/Registrar (with its original following promptly). The Trustee/Registrar may, in its absolute discretion, accept any redemption requests made by other written or electronic forms in addition to post and fax. The redemption request must specify: (i) the name of the Sub-Fund, (ii) the relevant class and the value or number of Unlisted Class of Units to be redeemed, (iii) the name(s) of the registered Unitholder(s) and (iv) payment instructions for the redemption proceeds.

Partial redemption of a holding of Unlisted Class of Units in a Sub-Fund by a Unitholder may be effected, provided that such redemption will not result in the Unitholder holding Unlisted Class of Units in a class less than the Minimum Holding for that class specified in the relevant Appendix. In the event that, for whatever reason, a Unitholder's holding of Unlisted Class of Units in a class is less than such Minimum Holding for that class, the Manager may give notice requiring such Unitholder to submit a redemption request in respect of all the Unlisted Class of Units of that class held by that Unitholder. A request for a partial redemption of Unlisted Class of Units with an aggregate value of less than the minimum amount for each class of Units specified in the relevant Appendix (if any) will not be accepted.

All redemption requests must be signed by the Unitholder or, in the case of joint Unitholders, such one or more joint Unitholders who have been authorised to sign such requests on behalf of the other joint Unitholders (where such authorisation has been notified in writing to the Registrar) or, in the absence of such notification, by all joint Unitholders.

2.2. Payment of Redemption Proceeds

The Redemption Price on any Dealing Day will be the price per Unlisted Class of Units ascertained by dividing the Net Asset Value of the relevant class of the relevant Sub-Fund as at the Valuation Point in respect of the relevant Dealing Day by the number of Units of such class then in issue and rounded to 4 decimal places (0.00005 or above being rounded up, and less than 0.00005 being rounded down) or in such manner and to such other number of decimal places as may from time to time be determined by the Manager. Any rounding adjustment will be retained by the relevant Class. The Redemption Price will be calculated and quoted in the relevant class currency of the relevant Sub-Fund.

In determining the Redemption Price, the Manager is entitled to deduct an amount which it considers represents an appropriate allowance for (a) estimated bid/offer spread of the investments of the relevant Sub-Fund, (b) fiscal and sale charges, including stamp duty, other taxes, brokerage, bank charges, transfer fees and registration fees, or (c) charges which are customarily incurred by the relevant Sub-Fund in realising assets to provide funds to meet any redemption request.

The Manager may at its option impose a redemption fee in respect of the Unlisted Class of Units to be redeemed as described in the "Fees and Charges" section of the relevant Appendix. The Manager may on any day in its sole and absolute discretion differentiate between Unitholders as to the amount of the redemption fee to be imposed (within the permitted limit provided in the Trust Deed) on each Unitholder.

The amount due to a Unitholder on the redemption of a Unit of an Unlisted Class will be the Redemption Price, less any Redemption Fee. The Redemption Fee will be retained by the Manager. Unitholders should note that redemption proceeds will not be paid to any Unitholder until (a) the duly signed original written redemption request (if such original is required by the Trustee/Registrar) and all other supporting documents, if any are required, have been received by the Trustee/Registrar; (b) the signature of the Unitholder (or each joint Unitholder) has been verified to the satisfaction of the Trustee/Registrar; and (c) any such other procedures as the Trustee/Registrar may reasonably require have been completed.

Subject as mentioned above, and save as otherwise agreed by the Manager, and so long as relevant account details have been provided, redemption proceeds will normally be paid at the risk and expense of the redeeming Unitholder in the Class Currency of the relevant Sub-Fund by telegraphic transfer to the Unitholder's pre-designated bank account as specified in the redemption request, within the time period specified in the relevant Appendix section of this Prospectus, unless the markets in which a substantial portion of the relevant Sub-Fund's investments is made is subject to legal or regulatory requirements (such as foreign currency controls) thus rendering the payment of redemption proceeds within the aforesaid time period not practicable, but in such a case the details of such legal or regulatory requirements will be set out in the relevant Appendix and the extended time frame for payment should reflect the additional time needed in light of the specific circumstances in the relevant markets. Any bank and other administrative charges associated with the payment of such redemption proceeds as well as the costs incurred in currency conversion, if any, will be borne by the redeeming Unitholder and deducted from the redemption proceeds.

With the prior consent of the Manager, arrangements can be made for redemption proceeds to be paid in any major currency other than the class currency of the relevant class of Unlisted Class of Units of the relevant Sub-Fund being redeemed. Payment will only be made to a bank account in the name of the Unitholder. No third party payments will be made. The Trust Deed provides that redemptions may be, in whole or in part, made in specie at the discretion of the Manager. However, the Manager does not intend to exercise this discretion in respect of any Sub-Fund unless otherwise specified in the relevant Appendix. In any event, redemptions may only be made in specie, in whole or in part, with the consent of the Unitholder requesting the redemption.

2.3. Restrictions on Redemption

The Manager is entitled to limit the number of Units of any Sub-Fund redeemed on any Dealing Day to 10% of the total Net Asset Value or the total number of Units of the relevant Sub-Fund then in issue. In this event, the limitation will apply pro rata (and not on a first in-first out basis) so that Unitholders of the relevant Sub-Fund who have validly requested to redeem such Units of the same Sub-Fund on that Dealing Day will redeem the same proportion of such Units of that Sub-Fund. Any such Units not redeemed (but which would otherwise have been redeemed) will be carried forward for redemption, subject to the same limitation, and will have priority on the next succeeding Dealing Day and all following Dealing Days (in relation to which the Manager has the same power) until the original request has been satisfied in full.

The Manager may, in consultation with the Trustee and having regard to the best interests of the Unitholders, suspend the redemption of Unlisted Class of Units of any Sub-Fund, or delay the payment of redemption proceeds in respect of any redemption request received, during any period in which the determination of the Net Asset Value of the relevant Sub-Fund is suspended (for details please see section "Suspension of Determination of Net Asset Value").

The Manager shall also 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 subscription or issue of Unlisted Class of Units of the relevant Sub-Fund, (ii) the redemption of Unlisted Class of Units of the relevant SubFund, and/or (iii) the determination of Net Asset Value of the relevant Sub-Fund is suspended;

b. where in the opinion of the Manager, acceptance of the redemption application would have an adverse effect on the relevant Sub-Fund;
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 any of the Securities in the relevant Underlying Index;
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 and/or any of its Connected Persons;
e. processing of the redemption application is not possible due to circumstances outside the control of the Manager; or
f. the redemption application is not submitted in the form and manner set out in the provisions of the Trust Deed.

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

2.4. Restrictions on Unitholders

The Manager has power to impose such restrictions as it may think necessary for the purpose of ensuring that no Units are acquired or held by an Unqualified Person. Upon notice that any Units are so held, the Manager may require such Unitholders to redeem or transfer such Units in accordance with the provisions of the Trust Deed. A person who becomes aware that he is holding or owning 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 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.

2.5. Transfer of Unlisted Class of 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. 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 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.

3. SWITCHING OF UNLISTED CLASS OF UNITS

Subject to the prior consent of the Manager either generally or in any particular case, Unitholders may switch some or all of their Unlisted Class of Units of any Sub-Fund (the “Existing Sub-Fund”) into unlisted shares, units or interests in other collective investment schemes administered by the Trustee and managed by the Manager or its Connected Persons and which has been authorised by the SFC (the “New Fund”). Switching to such other collective investment schemes will be by way of redeeming the Unlisted Class of Units held by the relevant Unitholders in accordance with the redemption procedures set out in the section “2. Redemption of Unlisted Class of Units” above and by re-investing the redemption proceeds thereof in such other collective investment schemes in accordance with the provisions of the relevant offering documents for such other collective investment schemes. A request for the switching of part of a holding of Unlisted Class of Units will not be effected if, as a result, the Unitholder would hold less than the Minimum Holding specified for the New Fund (if any) and/or the Existing Sub-Fund. Under the Trust Deed, the Manager is entitled to impose a switching fee on the switching of Units of up to 1 per cent. of the redemption proceeds payable in respect of the Unlisted Class of Units of the Existing Sub-Fund being switched. The switching fee will be deducted from the amount reinvested in the New Fund and will be paid to the Manager.

Where a request for switching is received by the Trustee prior to the Dealing Deadline in respect of a Dealing Day, switching will be effected as follows:

a. redemption of the Unlisted Class of Units of the Existing Sub-Fund will be dealt with by reference to the Redemption Price on that Dealing Day (the “Switching Redemption Day”);
b. where the Existing Sub-Fund and the New Fund have different currencies of denomination, the redemption proceeds of Unlisted Class of Units of the Existing Sub Fund, after deduction of any switching fee, shall be converted into the currency of denomination of the New Fund; and
c. the resulting amount will be used to subscribe for units of the New Fund at the relevant subscription price on the relevant dealing day in respect of the New Fund (the “Switching Subscription Day”). The Switching Subscription Day shall be the same day as the Switching Redemption Day or (in the event that the Switching Redemption Day is not a dealing day in respect of the New Fund) the dealing day of the New Fund which immediately follows the relevant Switching Redemption Day, provided that the Trustee shall receive cleared funds in the relevant currency of the New Fund within such period as determined by the Manager. In the event that cleared funds are not received within the applicable period, the Switching Subscription Day shall be the day on which the Trustee receives cleared funds in the relevant currency by the dealing deadline of the New Fund, unless otherwise determined by the Manager.

The Manager may, in consultation with the Trustee and having regard to the best interests of the Unitholders, suspend the switching of Unlisted Class of Units during any period in which the determination of the Net Asset Value of any relevant Sub-Fund is suspended (for details please see section “Suspension of Determination of Net Asset Value").

Investors should note that switching between Unlisted Class of Units and Listed Class of Units on the secondary market is not available. Distributors who wish to switch between Unlisted Class of Units and Listed Class of Units should do so in accordance with the procedures as agreed with the Manager and the Trustee

4. FAX OR ELECTRONIC INSTRUCTIONS

If applicants or Unitholders wish to give instructions for subscription, redemption or switching by facsimile or any other electronic means designated by the Trustee/Registrar, applicants or Unitholders must first provide to the Trustee/Registrar an original indemnity relating to fax or transmission via such other electronic means in the application or request. The Trustee/Registrar will generally act on faxed or any other electronic instructions for subscription, redemption or switching but may require signed original instructions. However, the Trustee/Registrar may refuse to act on faxed or any other electronic instructions until the original written instructions are received. The Trustee/Registrar may, in its absolute discretion, determine whether or not original instructions are also required in respect of subsequent applications or requests for subscription, redemption or switching sent by facsimile or any other electronic means by applicants or Unitholders.

Applicants or Unitholders should be reminded that if they choose to send the applications or requests for subscription, redemption or switching by facsimile or any other electronic means, they bear the risk of non-receipt or delay of such applications or requests. Applicants or Unitholders should note that the Trust, the Manager, the Trustee and the Registrar accept no responsibility for any loss caused as a result of non-receipt or illegibility of any application or request sent by facsimile or any other electronic means or any amendment of such application or request or for any loss caused in respect of any action taken as a consequence of such faxed or any other electronic instruction believed in good faith to have originated from properly authorised persons. This is notwithstanding the fact that a facsimile or any other electronic transmission report produced by the originator of such transmission discloses that such transmission was sent.

5. SUSPENSION OF THE ISSUE, SUBCRIPTION AND REDEMPTION OF UNLISTED CLASS OF UNITS

The Manager may, in consultation with the Trustee, having regard to the best interests of Unitholders, suspend the issue and/or switching and/or redemption of Units 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 Units of any Sub-Fund in the following circumstances:

a. during any period when trading on the SEHK is restricted or suspended;
b. during any period when a market on which an Index Security (that is a component of the relevant Underlying Index) 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 an Index Security (that is a component of the relevant Underlying Index) has its primary listing is restricted or suspended;
d. during any period when, in the opinion of the Manager, settlement or clearing of Index Securities 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, 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. during any period when the relevant Index 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 class or when for any other reason the value of any Securities 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 section "8.2 Suspension of Determination of Net Asset Value" arises;
i. during any period when the swap and/or Futures Contracts (if any) cannot be adjusted or reset for any reason; or
j. during any period when the business operations of the Manager, the Trustee, or any agent of the Trustee or the Manager in respect of the creation or redemption of Units in the relevant Sub-Fund are substantially interrupted or closed as a result of or arising from epidemic, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God.

The Manager will, in consultation with the Trustee and having regard to the best interests of the Unitholders, suspend the right to subscribe for Units of the relevant Sub-Fund if, or if as a result of the investment of the proceeds of issue of such Units in accordance with its investment objective, the Trust collectively holds or would hold in aggregate more than 10 per cent. of the ordinary shares issued by any single issuer. In addition, where the Sub-Funds under the Trust hold in aggregate more than the limit of 10 per cent. of the ordinary shares issued by any single issuer, the Manager will make it a priority objective to take all other necessary steps within a reasonable period to remedy such breach, taking due account of the interests of the Unitholders.

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 its website at www.premia-partners.com 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

6.11B

Calculation of Net Asset Value

The Net Asset Value of each Sub-Fund will be calculated by the Trustee 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 agreed between the Manager and Trustee on how various Securities held by the relevant Sub-Fund are valued: 6.11A

(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) futures contracts will be valued based on the formulae set out 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 the request of the Trustee cause a revaluation to be made on a regular basis 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 currency, applicable rate of interest, maturity, marketability or any other circumstances it considers relevant the Manager considers that such adjustment is required to fairly reflect the value of the investment. 6.11A

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 consulting with the Trustee and giving notice to the Trustee having regard to the best interest of Unitholders, 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: 10.6

(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 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 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 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, the Registrar or any agent 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 epidemic, 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, after consultation with the Trustee and having regard to the best interests of the Unitholders, 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 www.premia-partners.com (the contents of which and of other websites referred to in this Prospectus have not been reviewed by the SFC) or in such other publications as the Manager decides.

No Units of a Sub-Fund will be issued 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 of 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 Manager and the Manager shall promptly notify the Trustee accordingly. If the Manager 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 of Units or redeem Listed Class of 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 of Units, any subscription, switch or redemption application submitted prior to a suspension may be withdrawn at any time after such suspension has been declared and before termination of such suspension by notice in writing to the Manager and the Manager shall promptly notify the Trustee accordingly. If the Manager has not received any such notification of withdrawal of such subscription, switch or redemption application before termination of the suspension, the Trustee shall, subject to and in accordance with the provisions of the Trust Deed, issue, switch or redeem such Unlisted Class of Units in respect of such application and such application shall be deemed to be received immediately following the termination of such suspension.

The Manager must regularly review any prolonged suspension of dealings and take all necessary steps to resume normal operations as soon as practicable. 10.6

Issue Price and Redemption Value

The Issue Price which is the subject of a Creation Application during the Initial Offer Period of the Listed Class of Units of a Sub-Fund will be a fixed amount per Unit, or 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 amount from time to time determined by the Manager and approved by the Trustee. The Issue Price 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 Units created and issued by a Creation Application, will be the prevailing Net Asset Value of the relevant Sub-Fund as at the relevant Valuation Point divided by the total number of Units 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 on a Dealing Day shall be the prevailing Net Asset Value of the relevant Sub-Fund as at the relevant Valuation Point divided by the total number of Units 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 www.premia-partners.com (the contents of which and of other websites referred to in this Prospectus have not been reviewed by the SFC) or published in such other publications as the Manager decides.

Neither the Issue Price nor the Redemption Value takes into account Duties and Charges, Transaction Fees or fees payable by a Participating Dealer.

Issue Price and the Redemption Value should fairly reflect the value of the Sub-Fund's assets. 6.11

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. Where any levels of fees and expenses applicable to a particular Sub-Fund differs from the following, such fees and expenses will be set out in full in the relevant Appendix.

Fees and expenses payable by Participating Dealers on creations and redemptions (as applicable) of Listed Class of Units (applicable both during the Initial Offer Period and After Listing)	Premia CSI Caixin China Bedrock Economy ETF and Premia CSI Caixin China New Economy ETF	Premia Asia Innovative Technology ETF	Premia Dow Jones Emerging ASEAN Titans 100 ETF
Transaction Fee Service Agent's Fee Registrar fee	RMB6,628[1] per Application plus HKD1,000[1] per book-entry deposit and book-entry withdrawal transaction plus RMB137 per transaction[1]	USD1,000[1] per Application plus HKD1,000[1] per book-entry deposit and book-entry withdrawal transaction plus USD20 per transaction[1]	USD1,700[1] per Application plus HKD1,000[1] per book-entry deposit and book-entry withdrawal transaction plus USD20 per transaction[1]
Application cancellation fee	RMB8,220[2] per Application	USD 1,200[2] per Application	USD 1,200[2] per Application
Extension Fee	RMB8,220[3] per Application	USD 1,200[3] per Application	USD 1,200[3] 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		

[1] *The Transaction Fee (amounts detailed above) is payable by a Participating Dealer to the Trustee for the benefit of the Trustee and/or Registrar. 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. The Registrar will charge a fee of (amounts detailed above) for each Creation Application and Redemption Application. A Participating Dealer may pass on to the relevant investor such Transaction Fee.*

[2] *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.*

[3] *An Extension Fee is 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.*

Fees and expenses payable by Participating Dealers on creations and redemptions (as applicable) of Listed Class of Units (applicable both during the Initial Offer Period and After Listing)	Premia US Treasury Floating Rate ETF	Premia MSCI Vietnam ETF
Transaction Fee Service Agent's Fee Registrar fee	USD100[1] per Application plus HKD1,000[1] per book-entry deposit and book-entry withdrawal transaction plus USD20 per transaction[1]	USD1,000[1] per Application plus HKD1,000[1] per book-entry deposit and book-entry withdrawal transaction plus USD20 per transaction[1]
Application cancellation fee	USD 1,200[2] per Application	USD 1,200[2] per Application
Extension Fee	USD 1,200[3] per Application	USD 1,200[3] 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	

Fees and expenses payable by Participating Dealers on creations and redemptions (as applicable) of Listed Class of Units (applicable both during the Initial Offer Period and After Listing)	Premia China Treasury and Policy Bank Bond Long Duration ETF	Premia China USD Property Bond ETF
Transaction Fee	RMB3,266[1] per Application Plus	USD500[1] per Application plus

Service Agent's Fee Registrar fee	HKD1,000[1] per book-entry deposit and book-entry withdrawal transaction Plus RMB 131 per transaction[1]	HKD1,000[1] per book-entry deposit and book-entry withdrawal transaction plus USD20 per transaction[1]
Application cancellation fee	RMB 7,838[2] per Application	USD 1,200[2] per Application
Extension Fee	RMB 7,838[3] per Application	USD 1,200[3] 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	

Fees and expenses payable by investors of Listed Class of Units	Amount
(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)	
Fees and charges imposed by the Participating Dealer[4]	Such amounts as determined by the relevant Participating Dealer
(ii) Fees payable by all investors in respect of dealings in the Units on SEHK (applicable After Listing)	
Inter-counter transfer	HKD5.00[5]
Brokerage	Market rates
Transaction levy	0.0027%[6] of the trading price

4 *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.*

5 *HKSCC will charge each CCASS participant a fee of HKD5 per instruction for effecting an inter-counter transfer from one counter to another (if applicable). Investors should check with their respective brokers regarding any additional fees.*

6 *Transaction levy of 0.0027% of the trading price of the Units, payable by each of the buyer and the seller.*

SEHK trading fee	0.005%[7] of the trading price
Stamp duty	Nil

Fees and expenses payable by a Sub-Fund	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 Payable by a Sub-Fund

Management Fee

The Manager is entitled to receive a management fee of up to the maximum percentage as specified in the Trust Deed, as applicable to the relevant Sub-Fund. 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.

Some Sub-Funds may employ a single management fee structure, and details will be set out in the relevant Appendix of the Sub-Fund. For Sub-Funds which do not employ a single management fee structures, the following fees and expenses may be payable out of and borne by the Sub-Funds: The Trustee's fee, Registrar's fees, custodian's fees, fees of Service Agents, fees and expenses of the auditors, ordinary out-of-pocket expenses incurred by the Manager or the Trustee and costs and expenses of licensing indices used in connection with the Sub-Fund.

The Manager may pay a distribution fee to any distributor or sub-distributors of the Sub-Funds out of the management fees it receives from such Sub-Funds. 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, accrued daily and calculated as at each Dealing Day, of the greater of (i) up to 1% per year of the Net Asset Value of a Sub-Fund and (ii) the applicable monthly minimum. For Sub-Funds which do not employ a single management fee structure, the applicable trustee fee percentage is set out in the relevant Appendix of the Sub-Fund. The Trustee is also entitled to various transaction, processing fees and safekeeping fees and to be reimbursed out of the assets of the relevant Sub-Fund all out-of-pocket expenses incurred (including sub-custody fees and expenses). The Trustee is also entitled to receive a fee in its capacity as the Registrar.

The trustee fee will be included in the Management Fee if a Sub-Fund employs a single management fee structure.

The trustee fee may be increased by agreement with the Manager up to the maximum on giving one month's notice to the Unitholders.

Subject to the Manager's agreement, further fees may be payable to the Trustee in relation to the performance of its duties to the Sub-Fund, which fees will be at normal commercial terms, provided that the aggregate trustee fee shall not exceed the maximum level stated in the Trust Deed.

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[7] *Trading fee of 0.005% of the trading price of the Units, payable by each of the buyer and the seller.*

Estimated Ongoing Charges

The estimated ongoing charges of any newly established Sub-Fund, which are the sum of anticipated ongoing expenses of the relevant Sub-Fund expressed as a percentage of its estimated average Net Asset Value, and the actual ongoing charges of any existing Sub-Fund, which are the sum of actual ongoing expenses of the relevant Sub-Fund expressed as a percentage of its actual average Net Asset Value, are set out in the relevant Appendix. Where a Sub-Fund 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 may also be included in the ongoing charges calculation payable by a Sub-Fund and in those cases will be set out in the relevant Appendix. Ongoing expenses may be deducted from the assets of a Sub-Fund where these are permitted by the Trust Deed, the Code and the law. These include all types of cost borne by a Sub-Fund, 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. Where disclosed in an Appendix of a Sub-Fund, ongoing charges and expenses of that Sub-Fund may be borne by the Manager.

Promotional Expenses

The Sub-Funds 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 the Sub-Funds will not be paid (either in whole or in part) out of the Trust Fund.

Subscription Fee, Redemption Fee and Switching Fee (applicable in respect of the Unlisted Class of Units only

Subscription Fee

Under the Trust Deed, the Manager is entitled to impose a subscription fee on the issue of Unlisted Class of Units of any Sub-Fund of up to a maximum of 5 per cent. of the subscription monies.

The subscription fee is payable in addition to the Subscription Price per Unit. The Manager may, in its absolute discretion, waive or reduce the payment of all or any portion of the subscription fee (either generally or in any particular case) of a Sub-Fund.

Redemption Fee

Under the Trust Deed, the Manager is entitled to impose a redemption fee on the redemption of Unlisted Class of Units of any Sub-Fund of up to a maximum of 3 per cent. of the redemption proceeds payable in respect of such Units.

The redemption fee is deducted from the redemption proceeds payable to a Unitholder in respect of each Unlisted Class of Unit redeemed. The Manager may, in its absolute discretion, waive or reduce the payment of all or any portion of the redemption fee (either generally or in any particular case) of a Sub-Fund.

Switching Fee

Under the Trust Deed, the Manager is entitled to impose a switching fee on the switching of Unlisted Class of Units of up to 1 per cent. of the redemption proceeds payable in respect of the Unlisted Class of Units being switched.

The switching fee is deducted from the amount realised from the redemption of the relevant Unlisted Class of Units and reinvested in the new Unlisted Class of Units of the same or another Sub-Fund. The Manager may, in its absolute discretion, waive or reduce the payment of all or any portion of the switching fee (either generally or in any particular case) of a Sub-Fund.

Establishment Costs

The cost of establishing the Trust, the initial Sub-Funds (namely Premia CSI Caixin China Bedrock Economy ETF and Premia CSI Caixin China New Economy ETF), Premia Asia Innovative Technology ETF and Premia Dow Jones Emerging ASEAN Titans 100 ETF, Premia US Treasury Floating Rate ETF, Premia MSCI Vietnam ETF, Premia China Treasury and Policy Bank Bond Long Duration ETF and Premia China USD Property Bond ETF including the initial 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 will be borne by the Manager.

Increase in Fees

The current fees in respect of each Sub-Fund payable to the Manager as described in the relevant Appendix may be increased on not less than one month's notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements), subject to the maximum rates set out in the Trust Deed. 11.1A

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. There can be no assurance that the investment objective of a Sub-Fund will be achieved. 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 all Sub-Funds. You should refer to additional risk factors, specific to each Sub-Fund, as set out in the relevant Appendix.

Risks Associated with Investment in Any Sub-Fund

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 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 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 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 the Sub-Funds are based on the capital appreciation and income on the Securities it holds, less expenses incurred. A Sub-Fund's return may fluctuate in response to changes in such capital appreciation or income. Furthermore, each Sub-Fund may experience volatility and decline in a manner that broadly corresponds with the relevant Index. Investors in the Sub-Funds are exposed to the same risks that investors who invest directly in the underlying Securities 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 (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 in which the Sub-Fund invests may underperform or outperform returns from other Securities markets or from investment in other assets. Different types of securities tend to go through cycles of out-performance and underperformance when compared with other general Securities markets.

Passive Investment Risk

The Sub-Funds are not actively managed. Accordingly, a Sub-Fund may be affected by a decline in the market segments relating to the relevant Index or Indices. The Manager will not take defensive positions in declining markets. Investors may lose a significant part of their respective investments if the Index falls. Each Sub-Fund invests in the Securities included in or representative of the relevant Index regardless of their investment merit, except to the extent of any representative sampling strategy. The Manager does not attempt to select securities individually or to take defensive positions in declining markets. Investors should note that the lack of discretion on the part of the Manager to adapt to market changes due to the inherent investment nature of the Sub-Funds will mean a decline in the Index or Indices are expected to result in corresponding falls in the Net Asset Values of the Sub-Funds, and investors may lose substantially all of their investment.

Representative Sampling Risk

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

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 constituents of the Index may have an adverse effect on the Index's and therefore the relevant Sub-Fund's performance. You may lose money by investing in any Sub-Fund.

Management Risk

Because there can be no guarantee that each Sub-Fund will fully replicate the relevant Index, it is subject to 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 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.

Single Country / Concentration Risk

A Sub-Fund may be subject to concentration risk as a result of tracking the performance of a single geographical region or country or industry sector, and the Index may be comprised of a limited number of securities. A Sub-Fund may therefore likely be more volatile than a broad-based fund, such as a global equity fund, as it is more susceptible to fluctuations in value of the Index resulting from adverse conditions in the particular geographical region, country or industry sector. Where a Sub-Fund's Index 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 Risk

The investments of each Sub-Fund are subject to risks inherent in all Securities (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.

Equity Risk

Investment in equity Securities by a Sub-Fund (where permitted) may offer a higher rate of return than a fund 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 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.

Tracking Error Risk

A Sub-Fund's returns may deviate from the Index due to a number of factors. For example, the fees and expenses of a Sub-Fund, any adoption of a representative sampling strategy, liquidity of the market, imperfect correlation of returns between a Sub-Fund's assets and the Securities constituting its Index, rounding of share prices, foreign exchange costs, changes to the Indices and regulatory policies may affect the Manager's ability to achieve close correlation with the Index of each Sub-Fund. Further, a 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 a 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 Sub-Fund's returns may therefore deviate from its Index.

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

Trading Risk

While the creation/redemption feature of each Sub-Fund is designed to make it likely that 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 Units will fluctuate in accordance with changes in the Net Asset Value and supply and demand on any exchange on which Units are listed. In addition, when buying or selling 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 Units on the SEHK and may receive less than the Net Asset Value per Unit when selling Units on the SEHK. The Manager cannot predict whether Units will trade below, at, or above their Net Asset Value. Since, however, 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 Units should not be sustained. If the Manager suspends creations and/or redemptions of Units, the Manager anticipates that there may be larger discounts or premiums as between the secondary market price of Units and the Net Asset Value.

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.

No Trading Market in the Units Risk

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

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.

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. 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 its equivalent in the Sub-Fund's base currency; 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) 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, 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.

Foreign Exchange Risk

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

Foreign Security Risk

A Sub-Fund may invest entirely within or may relate to the equity markets of a single country or region. These markets may be subject to special risks associated with foreign investment including market fluctuations caused by factors affected by political and economic development. 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

Risk of War or Terrorist Attacks

There can be no assurance that there will not be any terrorist attacks which could have direct or indirect effect on the markets in which investments of a Sub-Fund may be located and the corresponding political and/or economic effects arising therefrom if any, may in turn adversely affect the operation and profitability of the Sub-Fund.

Custodian Risk

Custody risk refers to the risks inherent in the process of clearing and settling trades and to the holding of Securities by local banks, agents and depositories. Local agents are held to local standards of care and in general, the less developed a country's securities market is, the greater the likelihood of custody problems. A Sub-Fund's investments may be registered in the name of a sub-custodian where, due to the nature of the laws or market practice of jurisdictions, it is common market practice or not feasible to do otherwise and may be exposed to risk in circumstances whereby the Custodian will have no liability. Such investments may not be segregated from the sub-custodian's own investments and in the event of default or fraud of such sub-custodian, the Sub-Fund's assets may not be protected and may be irrecoverable by the Sub-Fund.

Risk Associated with the PRC

Economic, Political and Social Risks of the PRC

The economy of the PRC, 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 the PRC 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 the PRC and a high level of management autonomy. The economy of the PRC 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 the PRC. 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 the PRC 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 PRC economy which may also have an adverse impact on the capital growth and performance of a Sub-Fund.

Political changes, social instability and adverse diplomatic developments in the PRC could 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.

PRC Laws and Regulations Risk

The regulatory and legal framework for capital markets and joint stock companies in the PRC may not be as well developed as those of developed countries. PRC laws and regulations affecting securities markets are relatively new and 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 PRC 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 the PRC imposes limitations or restrictions on foreign ownership or holdings. Such legal and regulatory restrictions or limitations may have adverse effects on the liquidity and performance of such Sub-Fund holdings as compared to the performance of the Index. This may increase the risk of tracking error 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 PRC 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.

Changes in PRC taxation risk

The PRC Government has implemented a number of tax reform policies in recent years. The current tax laws and regulations may be revised or amended in the future. Any revision or amendment in tax laws and regulations may affect the after-taxation profit of PRC companies and foreign investors in such companies. Please also refer to the section below entitled “PRC Taxation”.

Risks Associated with A-Shares

A-Shares Market Suspension and Volatility Risk

A-Shares may only be bought from, or sold to, a Sub-Fund from time to time where the relevant A-Shares may be sold or purchased on the SSE or the SZSE, as appropriate. Given that the A-Shares market is considered volatile and unstable (with the risk of suspension of a particular stock or government intervention), the creation and realisation of Units may be disrupted. A Participating Dealer is unlikely to realise or create Units if it considers that A-Shares may not be available. High market volatility and potential settlement difficulties in the A-Shares market may also result in significant fluctuations in the prices of the securities traded on the A-Shares market and thereby may adversely affect the value of the relevant Sub-Fund.

PRC Taxation Risk

Pursuant to the “Notice for the tax policies in relation to the Pilot Program for Shanghai-Hong Kong Stock Connect” (關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知) Caishui [2014] No.81 (“Circular 81”) and “Notice about the tax policies related to Shenzhen-Hong Kong Stock Connect” (Caishui [2016] No. 127) (“Circular 127”) jointly promulgated by the Ministry of Finance of the PRC (“MOF”), the SAT and the CSRC, CIT will be temporarily exempted on capital gains derived by Hong Kong market investors (including the Sub-Funds) on the trading of A-Shares through the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect with effect from 17 November 2014 and 5 December 2016 respectively. Based on Circular 81 and Circular 127 and having consulted independent professional tax adviser, no provision for gross realised or unrealised capital gains derived from trading of A-Shares via Stock Connect is made by the Manager on behalf of any Sub-Fund.

It should be noted that the tax exemptions granted under Circular 81 and Circular 127 are temporary. As such, as and when the PRC tax authorities announce the expiry date of the tax exemption, a Sub-Fund may in future need to make provision to reflect taxes payable, which may have a substantial negative impact on the Net Asset Value of such Sub-Fund.

The Manager reserves the right to provide for PRC withholding income tax ("WIT") or other taxes on capital gains or income and withhold the tax for the account of a Sub-Fund if there is any future change in the PRC tax rules. The Manager will closely monitor any further guidance by the relevant PRC tax authorities and change its tax provision policy and the tax provision amount in respect of the Sub-Fund accordingly. Any change to the tax provision policy or the amount of tax provision in respect of a Sub-Fund will be notified to the Unitholders.

If actual tax is collected by the SAT and a Sub-Fund is required to make payments reflecting tax liabilities for which no provision has been made, the Net Asset Value of the Sub-Fund may be adversely affected, as the Sub-Fund will ultimately have to bear the full amount of tax liabilities. In this case, the tax liabilities will only impact Units in issue at the relevant time, and the then existing Unitholders and subsequent Unitholders will be disadvantaged as such Unitholders will bear, through the Sub-Fund, a disproportionately higher amount of tax liabilities as compared to that borne at the time of investment in the Sub-Fund.

Please refer to the sub-section entitled "PRC Taxation" under the section headed "Taxation" in this Prospectus for further information in this regard.

Risks Associated with the Stock Connect

A Sub-Fund's investments through the Stock Connect may be subject to the following risks.

Quota Limitations

The Stock Connect is subject to quota limitations. In particular, once the remaining balance of the Northbound Daily Quota drops to zero or the Northbound Daily Quota is exceeded during the opening call session, new buy orders will be rejected (though investors will be allowed to sell their cross-boundary securities regardless of the quota balance). The Sub-Fund's ability to invest in A-Shares through the Stock Connect may be affected.

Suspension Risk

It is contemplated that both the SEHK and the SSE would reserve the right to suspend Northbound and/or Southbound trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the Northbound trading is effected, the Sub-Fund's ability to access the PRC market through the Stock Connect will be adversely affected.

Differences in Trading Day

The Stock Connect will only operate on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the PRC market but Hong Kong investors (such as the Sub-Fund) cannot carry out any A-Shares trading.

Operational Risk

The Stock Connect provides a new channel for investors from Hong Kong and overseas to access the China stock market directly. Market participants are able to participate in this programme subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house. Market participants may need to address issues arising from the differences on an on-going basis.

Further, the "connectivity" in the Stock Connect requires routing of orders across the border. This requires the development of new information technology systems on the part of the SEHK and exchange participants. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets.

In the event that the relevant systems fail to function properly, trading in both markets through the programme could be disrupted.

Recalling of Eligible Stocks

If a stock is recalled from the scope of eligible stocks for trading via the Stock Connect, the stock can only be sold and cannot be bought. This may affect the Sub-Fund's tracking of the Index if, for example, a constituent of the Index is recalled from the scope of eligible stocks.

Clearing and Settlement Risk

The HKSCC and CSDCC establish clearing links and each has become a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house. Should the remote event of CSDCC default occur and the CSDCC be declared as a defaulter, HKSCC's liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against the CSDCC. HKSCC will in good faith seek recovery of the outstanding stocks and monies from the CSDCC through available legal channels or through the CSDCC's liquidation. In that event, the Sub-Fund may suffer delay in the recovery process or may not be able to fully recover its losses from the CSDCC.

Regulatory Risk

The Stock Connect is novel in nature, and will be subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under the Stock Connect. The regulations are untested and there is no certainty as to how they will be applied, and are subject to change. There can be no assurance that the Stock Connect will not be abolished.

Investor Compensation Fund

Hong Kong's Investor Compensation Fund is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong. From 1 January 2020, the Hong Kong Investor Compensation Fund also covers investors' losses in relation to securities traded on a stock market operated by the Shanghai Stock Exchange or the Shenzhen Stock Exchange and in respect of which an order for sale or purchase is permitted to be routed through the northbound link of a Stock Connect arrangement. On the other hand, since a Sub-Fund is carrying out Northbound trading through securities brokers in Hong Kong but not PRC brokers, it is protected by the China Securities Investor Protection Fund (中國投資者保護基金) in the PRC. Therefore the Sub-Fund is exposed to the risks of default of the broker(s) it engages in its trading in A-Shares through the programme.

Risks associated with the RMB currency

RMB is not Freely Convertible and subject to Exchange Controls and Restrictions Risk

It should be noted that the RMB is currently not a freely convertible currency as it is subject to foreign exchange control policies and repatriation restrictions imposed by the PRC government. Since 1994, the conversion of RMB into USD has been based on rates set by the PBOC, which are set daily based on the previous day's PRC interbank foreign exchange market rate. On 21 July 2005, the PRC government introduced a managed floating exchange rate system to allow the value of RMB to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. In addition, a market maker system was introduced to the interbank spot foreign exchange market. In July 2008, the PRC announced that its exchange rate regime was further transformed into a managed floating mechanism based on market supply and demand. Given the domestic and overseas economic developments, the PBOC decided to further improve the RMB exchange rate regime in June 2010 to enhance the flexibility of the RMB exchange rate. In April 2012, the PBOC decided to take a further step to increase the flexibility of the RMB exchange rate by expanding the daily trading band from +/-0.5% to +/-1%. Effective 11 August 2015 the RMB central parity is fixed against the USD by reference to the closing rate of the inter-bank foreign exchange market on the previous day (rather than the previous morning's official setting).

However it should be noted that the PRC government's policies on exchange control and repatriation restrictions are subject to change, and any such change may adversely impact a Sub-Fund. There can be no assurance that the RMB exchange rate will not fluctuate widely against the USD or any other foreign currency in the future.

Foreign exchange transactions under the capital account, including principal payments in respect of foreign currency-denominated obligations, currently continue to be subject to significant foreign exchange controls and require the approval of the SAFE. On the other hand, the existing PRC foreign exchange regulations have significantly reduced government foreign exchange controls for transactions under the current account, including trade and service related foreign exchange transactions and payment of dividends. Nevertheless, the Manager cannot predict whether the PRC government will continue its existing foreign exchange policy or when the PRC government will allow free conversion of the RMB to foreign currency.

RMB Trading and Settlement of Units Risk

The trading and settlement of RMB-denominated securities are recent developments in Hong Kong and there is no assurance that there will not be problem with the systems or that other logistical problems will not arise. Although end-to-end simulation trading and clearing of listed RMB products testing sessions and payment pilot runs for participants of the SEHK were held by the SEHK in March, September and October 2011, some brokers may not have participated in such testing sessions and pilot runs and for those who have, not all of them may be able to successfully complete such testing sessions and pilot runs, and there is no assurance of their readiness for dealing in RMB denominated securities. Investors should note that not all brokers may be ready and able to carry out trading and settlement of RMB traded Units and thus they may not be able to deal in the RMB traded Units through some brokers. Investors who intends to deal in RMB traded Units should check with their brokers in advance if they intend to engage Multi-Counter trading or in inter-counter transfers involving RMB traded Units and should fully understand the services which the relevant broker is able to provide (as well as any associated fees). Some exchange participants may not provide such inter-counter transfer or Multi-Counter trading services.

Non-RMB or Late Settlement Redemption or Distributions Risk

Where, in extraordinary circumstances, the remittance or payment of RMB funds on the redemption of Units or for distributions in RMB cannot, in the opinion of the Manager in consultation with the Trustee, be carried out normally due to legal or regulatory circumstances beyond the control of the Trustee and the Manager, redemption proceeds or distribution payments in RMB may be delayed or, if necessary in exceptional circumstances, redemption proceeds may be paid in USD or HKD instead of in RMB (at an exchange rate determined by the Manager after consultation with the Trustee). As such, there is a risk that investors may not be able to receive, through Participating Dealers, settlement upon a redemption of Units in RMB (and may receive USD or HKD) or may receive redemption proceeds or distribution payments in RMB on a delayed basis.

Exchange Rates Movement Between the RMB and Other Currencies Risk

Investors in RMB traded Units whose assets and liabilities are predominantly in HKD or in currencies other than RMB should take into account the potential risk of loss arising from fluctuations in value between such currencies and RMB. There is no guarantee that RMB will appreciate or depreciate in value against HKD or any other currency. If RMB appreciates in value, an investor may enjoy a gain in RMB terms but suffer a loss when converting funds from RMB back into HKD (or any other currency), and vice versa if RMB depreciates.

Future Movements in RMB Exchange Rates Risk

The exchange rate of RMB ceased to be pegged to US dollar on 21 July 2005, resulting in a more flexible RMB exchange rate system. China Foreign Exchange Trading System, authorised by the PBOC, promulgates the central parity rate of RMB against US dollar, Euro, Yen, British Pound and Hong Kong dollar at 9:15 a.m. on each business day, which will be the daily central parity rate for transactions on the Inter-bank Spot Foreign Exchange Market and OTC transactions of banks. The exchange rate of RMB against the above-mentioned currencies fluctuates within a range above or below such central parity rate. As the exchange rates are based primarily on market forces, the exchange rates for RMB against other currencies, including US dollar and Hong Kong dollar, are susceptible to movements based on external factors.

There can be no assurance that such exchange rates will not fluctuate widely against US dollar, Hong Kong dollar or any other foreign currency in the future. From 1994 to July 2005, the exchange rate for RMB against US dollar and the Hong Kong dollar was relatively stable. From 1994 to July 2005, the exchange rate for RMB against US dollar and the HK dollar was relatively stable. Since July 2005, the RMB has begun to appreciate until August 2015 when the PBOC introduced a one-off devaluation of RMB. There can be no assurance that RMB will not be subject to further devaluation. The future movements in RMB exchange rates are uncertain and the fluctuations may have a positive or negative impact on investors' investment in a Sub-Fund.

Offshore RMB ("CNH") Market Risk

The onshore RMB ("CNY") is the only official currency of the PRC and is used in all financial transactions between individuals, state and corporations in the PRC. Hong Kong is the first jurisdiction to allow accumulation of RMB deposits outside the PRC. Since June 2010, the offshore RMB ("CNH") is traded officially, regulated jointly by the Hong Kong Monetary Authority and the PBOC. While both CNY and CNH represent RMB, they are traded in different and separated markets. The two RMB markets operate independently where the flow between them is highly restricted. Though the CNH is a proxy's of the CNY, they do not necessarily have the same exchange rate and their movement may not be in the same direction. This is because these currencies act in separate jurisdictions, which leads to separate supply and demand conditions for each, and therefore separate but related currency markets.

However, the current size of RMB-denominated financial assets outside the PRC is limited. As at 30 June 2016, the total amount of RMB (CNH) deposits held by institutions authorised to engage in RMB banking business in Hong Kong amounted to approximately RMB712 billion. In addition, participating authorised institutions are also required by the Hong Kong Monetary Authority to maintain a total amount of RMB (in the form of cash and its settlement account balance with the Renminbi Clearing Bank) of no less than 25% of their RMB deposits, which further limits the availability of RMB that participating authorised institutions can utilise for conversion services for their customers. RMB business participating banks do not have direct RMB liquidity support from PBOC. The Renminbi Clearing Bank only has access to onshore liquidity support from PBOC (subject to annual and quarterly quotas imposed by PBOC) to square open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement and for individual customers. The Renminbi Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services and the participating banks will need to source RMB from the offshore market to square such open positions. Although it is expected that the offshore RMB market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the relevant settlement agreement between Hong Kong banks and the PBOC will not be terminated or amended in the future which will have the effect of restricting availability of RMB offshore. The limited availability of RMB outside the PRC may affect the ability of investors to acquire Units or to sell Units of a Sub-Fund affecting the liquidity and therefore the trading price of the Units on the SEHK. To the extent the Manager is required to source RMB in the offshore market, there is no assurance that it will be able to source such RMB on satisfactory terms, if at all.

Emerging market risk

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 special risks including, but not limited to: generally less liquid and less efficient securities markets; generally greater price volatility; 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; the imposition of taxes; higher transaction and custody costs; settlement delays and risk of loss; difficulties in enforcing contracts; 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.

Risks Associated with Multi-Counter

Other Currency Distributions Risk

Investors should note that all Units will only receive distributions in the Base Currency of the Sub-Fund. In the event that the relevant Unitholder has no account in the Base Currency of the Sub-Fund, the Unitholder may have to bear the fees and charges associated with the conversion of such distribution from the Base Currency to another currency. The Unitholder may also have to bear bank or financial institution fees and charges associated with the handling of the distribution payment. Unitholders are advised to check with their brokers regarding arrangements for distributions. Where the Base Currency of the Sub-Fund is RMB, in exceptional circumstances dividend payments in RMB may be delayed due to exchange controls and restrictions applicable to RMB.

Multi-Counter Risk

The Multi-Counter arrangement for exchange traded funds listed on the SEHK is relatively new. The novelty may make investment in the Units riskier than in single counter units or shares of an SEHK listed issuer for example where for some reason there is a settlement failure on an inter-counter transfer if the Units of one counter are delivered to CCASS at the last settlement on a trading day, leaving not enough time to transfer the Units to the other counter for settlement on the same day.

In addition, where there is a suspension of the inter-counter transfer of Units between different counters for any reasons, for example, operational or systems interruption, Unitholders will only be able to trade their Units in the currency of the relevant counter. Accordingly it should be noted that inter-counter transfers may not always be available.

There is a risk that the market price on the SEHK of Units traded in one counter may deviate significantly from the market price on the SEHK of Units traded in another counter due to different factors such as market liquidity, supply or demand in each counter and exchange rate fluctuations. The trading price of Units in each counter is determined by market forces and so will not be the same as the trading price of Units multiplied by the prevailing rate of foreign exchange. Accordingly when selling Units or buying Units traded in one counter, an investor may receive less or pay more than the equivalent amount in the currency of another counter if the trade of the relevant Units took place on another counter. There can be no assurance that the price of Units in each counter will be equivalent.

Investors without RMB or USD accounts may not be able to buy or sell RMB or USD traded Units and should note that distributions will only be made in the Base Currency of the Sub-Fund. As such, investors may suffer a foreign exchange loss and incur foreign exchange associated fees and charges to receive their distribution.

It is possible that some brokers and CCASS participants may not be familiar with and may not be able to (i) buy Units in one counter and to sell Units in another, (ii) carry out inter-counter transfers of Units, or (iii) trade Units in different counters at the same time. In such a case another broker or CCASS participant may need to be used. Accordingly investors may only be able to trade their Units in one currency, investors are recommended to check the readiness of their brokers in respect of the Multi-Counter trading and inter-counter transfer 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

Absence of Active Market and Liquidity Risks

Although Units of each Sub-Fund are listed for trading on the SEHK, there can be no assurance that an active trading market for such Units will develop or be maintained. In addition, if the underlying Securities which comprise each Sub-Fund themselves have limited trading markets, or if the spreads are wide, this may adversely affect the price of the Units and the ability of an investor to dispose of its Units at the desired price. If an investor needs to sell his, her or its Units at a time when no active market for them exists, the price received for the 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, Units on the SEHK during any period in which trading of the Units is suspended. The SEHK may suspend the trading of 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 Units may also be suspended if the trading of Units is suspended.

Effect of Redemptions Risk

If significant redemptions of Units are requested by the Participating Dealers, 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, the right of Participating Dealers to require redemptions in excess of 10% of the total number of Units in the Sub-Funds 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 the Sub-Funds for the whole or any part of any period. Please see the section on "Determination of Net Asset Value" for further details.

Units May Trade at Prices Other than Net Asset Value Risk

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 Units fluctuate continuously throughout the trading hours based on market supply and demand rather than Net Asset Value. The trading price of the Units may deviate significantly from Net Asset Value particularly during periods of market volatility. Any of these factors may lead to the Units of the relevant Sub-Fund trading at a premium or discount to the Net Asset Value. On the basis that Units can be created and redeemed in Application Units at Net Asset Value, the Manager believes that large discounts or premiums to Net Asset Value are not likely to be sustained over the long-term. While the creation/redemption feature is designed to make it likely that the 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 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. In particular, if an investor purchases Units at a time when the market price is at a premium to Net Asset Value or sells when the market price is at a discount to Net Asset Value, then the investor may sustain losses.

Restrictions on Creation and Redemption of Units Risk

Investors should note that 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). 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 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 Units under certain circumstances. Alternatively, investors may realize the value of their Units by selling their 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)" for details in relation to the circumstances under which creation and redemption applications can be rejected.

Borrowing Risks

The Trustee, at the request of the Manager, may borrow for the account of the Sub-Funds (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-Funds. 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.

Cost of Trading Units Risk

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. 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 Units (bid price) and the price at which they are willing to sell Units (ask price). Frequent trading may detract significantly from investment results and an investment in Units may not be advisable particularly for investors who anticipate making small investments regularly.

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.

Secondary Market Trading Risk

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

New Manager Risk

Although certain senior staff members of the Manager have managed a number of exchange traded funds listed in Hong Kong in their previous employments, the Sub-Funds are amongst the first exchange traded funds to be managed by the Manager. As such the Manager will substantially make use of and rely upon the risk management tools to support the investments of the Sub-Funds. In the event of a breakdown or disruption in such tools, the operations of the Sub-Funds may be adversely affected.

Reliance on Market Makers Risk

Where a Multi-Counter has been adopted in respect of a Sub-Fund, although the Manager will ensure that there is at least one Market Maker to maintain a market for the Units traded in each counter, it should be noted that liquidity in the market for the Units may be adversely affected if there is no Market Maker for Units traded in one or more counter(s). The Manager will seek to mitigate this risk by ensuring at least one Market Maker for the Units 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 Units. Furthermore, any disruption to the availability of RMB may adversely affect the capability of Market Makers in providing liquidity for such RMB traded Units. It is possible that there is only one SEHK Market Maker to a counter 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.

Reliance on Participating Dealers Risk

The creation and redemption of 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 Units during any period when, amongst other things, dealings on the SEHK are restricted or suspended, settlement or clearing of Securities through CCASS is disrupted or the Index is not compiled or published. In addition, Participating Dealers will not be able to issue or redeem 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 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 Units freely.

Risks Associated with the Indices

Fluctuations Risk

The performance of the Units 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 Sub-Fund which tracks that Index will vary or decline accordingly.

Licence to Use Index may be Terminated Risk

The Manager is granted a licence by the Index Provider to use each Index to create the relevant Sub-Fund based on the Index and to use certain trade-marks and any copyright in the Index. A 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 Sub-Fund's Appendix. Although the Manager will seek to find a replacement Index, a 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 of each Index are determined and composed by the relevant Index Provider without regard to the performance of the relevant Sub-Fund. Each 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 Sub-Funds or other persons regarding the advisability of investing in Securities generally or in the Sub-Funds particularly. Each Index Provider has no obligation to take the needs of the Manager or investors in the relevant 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 Sub-Fund, the Manager or investors.

Composition of an Index May Change Risk

The Securities constituting an Index will change as the Securities of the Index are delisted, or as the Securities mature or are redeemed or as new Securities are included in the Index or where the methodology of the Index is changed by the Index Provider. When this happens the weightings or composition of the Securities owned by the Sub-Funds will change as considered appropriate by the Manager to achieve the investment objective. Thus, an investment in Units will generally reflect the 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 the Sub-Funds will, at any given time accurately reflect the composition of the Index (please refer to the section on "Tracking Error Risk").

Difficulties in Valuation of Investments Risk

Securities acquired on behalf of a Sub-Fund may subsequently become illiquid due to events relating to the issuer of the securities, market and economic conditions and regulatory sanctions. In cases where no clear indication of the value of a Sub-Fund's portfolio securities 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.

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 a scheme nor does it guarantee the commercial merits of a scheme or its performance. This does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors. The SFC reserves the right to withdraw the authorisation of the Trust or the Sub-Funds if the Index is no longer considered acceptable or impose such conditions as it considers appropriate. If the Manager does not wish the Trust or the Sub-Funds 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 the Sub-Funds, the Trust or the Sub-Funds (as applicable) will be terminated.

General Legal and Regulatory Risk

The Sub-Funds 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-Funds. Furthermore, such change in the laws may have an impact on the market sentiment which may in turn affect the performance of the Indices and as a result, the performance of the Sub-Funds. It is impossible to predict whether such an impact caused by any change of law will be positive or negative for the Sub-Funds. In the worst case scenario, a Unitholder may lose a material part of its investments in a Sub-Fund.

Units may be Delisted from the SEHK Risk

The SEHK imposes certain requirements for the continued listing of Securities, including the Units, on the SEHK. Investors cannot be assured that any of the Sub-Funds will continue to meet the requirements necessary to maintain the listing of Units on the SEHK or that the SEHK will not change the listing requirements. If the Units of a Sub-Fund are delisted from the SEHK, Unitholders will have the option to redeem their 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 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 U.S. taxpayer identification number or consent to the FFI to report their information to the U.S. IRS).

The Trust and/or the Sub-Funds 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.

The Trust and each of the Sub-Funds have been registered with the IRS as at the date of this Prospectus.

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 reports of the Sub-Funds. 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 reports for the financial reports to be in compliance with IFRS. Any such adjustments will be disclosed in the annual financial reports, 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.

MANAGEMENT OF THE TRUST AND SUB-FUNDS

The Manager

The Manager of the Trust and each Sub-Fund is Premia Partners Company Limited, a limited liability company incorporated under the laws of Hong Kong and regulated by the SFC. The Manager is licensed to carry out the following regulated activities in Hong Kong: Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) under the SFO with CE Number BIN676.

The Manager is a wholly-owned subsidiary of Benchmark Company Limited which is a company incorporated with limited liability in the Cayman Islands.

The Manager's businesses fall into 3 principal areas: Exchange Traded Fund ("ETF") marketer, ETF sponsor and investment-advisory platform.

The Manager may from time to time appoint other sub-investment managers or Investment Delegates in relation to any Sub-Fund subject to prior SFC approval. The details of any sub-investment manager or Investment Delegate will be disclosed in the Appendix of the relevant Sub-Fund. The remuneration of such sub-investment manager or Investment Delegates will be borne by the Manager unless otherwise stated in the relevant Appendix.

The Directors of the Manager are:

- CHUA Sui Yee
- LAI Chi Kin
- YE Kevin Sing

The Trustee and Registrar

The Trustee of the Trust is HSBC Institutional Trust Services (Asia) Limited. The Trustee also acts as the Registrar of each Sub-Fund, and provides services in respect of the establishment and maintenance of the register of the Unitholders of each Sub-Fund.

The Trustee was incorporated with limited liability in Hong Kong in 1974 and is registered as a trust company under Part VIII of the Trustee Ordinance (Cap. 29 of the Laws of Hong Kong) and approved by the Mandatory Provident Funds Scheme Authority as trustee of registered MPF Schemes under the Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong). The Trustee is an indirectly wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales.

Under the Trust Deed, the Trustee is responsible for the safekeeping of the assets of the Trust and the Sub-Funds and shall take into custody or under its control all the investments, cash and other assets forming part of the Trust Fund of each Sub-Fund and hold them in trust for the Unitholders of the relevant Sub-Fund, in accordance with the provisions and subject to the provisions of the Trust Deed. To the extent permitted by applicable laws and regulation, all registrable assets and cash from time to time comprised in the Trust Fund shall be registered in the name of or held to the order of the Trustee.

The Trustee shall have in place policies and procedures to ensure the segregation of assets of the Trust and/or its Sub-Funds from the assets of (i) each of the Manager, the Investment Delegates and/or their respective Connected Persons; (ii) each of the Trustee, Correspondents (more particularly defined hereinafter) throughout the custody chain, and (iii) other clients of the Trustee, Correspondents throughout the custody chain unless held in an omnibus account with adequate safeguards in line with international standards and best practices to ensure that the property of the Sub-Fund is properly recorded with frequent and appropriate reconciliations being performed. The Trustee shall also put in place measures to verify the owners of the property of the Trust and/or its Sub-Funds.

The Trustee shall establish clear and comprehensive escalation mechanisms to deal with potential breaches detected in the course of discharging its obligations and report material breaches to the SFC in a timely manner.

The Trustee may from time to time appoint such person or persons as it thinks fit (including, without limitation, any of its Connected Persons) to hold as custodian, nominee, agent or delegate, all or any of the investments, assets or other property comprised in the Trust Fund or any of the Sub-Funds and may empower any such person to appoint, with the prior consent in writing of the Trustee (and the Manager in the joint appointment of such persons), co-custodians and/or sub-custodians (each such custodian, nominee, agent, co-custodian and sub-custodian a "Correspondent"). Notwithstanding any other provision of this Prospectus and subject to otherwise provided under the Code, the Trustee is required to (a) exercise reasonable care, skill and diligence in the selection, appointment and monitoring of Correspondents which are appointed for the custody and/or safekeeping of any of the investments, cash, assets or other property comprised in the Trust Fund of the Trust or any Sub-Fund and (b) be satisfied that Correspondents retained remain suitably qualified and competent on an ongoing basis to provide the relevant custodial services to the Sub-Funds, having regard to the market or markets for which such Correspondent is appointed. Notwithstanding any other provision of this Prospectus and subject to otherwise provided under the Code, the Trustee shall be liable for the acts and omissions of any Correspondent which is a Connected Person of the Trustee as if the same were the acts or omissions of the Trustee, but provided that the Trustee has discharged its obligations set out in (a) and (b) as set out in this paragraph, the Trustee shall not be liable for any act, omission, insolvency, liquidation or bankruptcy of any Correspondent which is not a Connected Person of the Trustee.

The Trustee shall also (a) carry out the instructions of the Manager in respect of investments unless they are in conflict with the provisions of the Trust Deed of the Sub-Fund or the Code; (b) take reasonable care to ensure that the investment and borrowing limitations set out in the Trust Deed of the Sub-Fund and conditions under which it is authorized are complied with; (c) where applicable, take reasonable care to ensure that unit/share certificates are not issued until subscription money have been paid; (d) take reasonable care to ensure that the cash flows of the Sub-Fund are properly monitored; and (e) fulfil such other duties and requirements imposed on it as set out in the Code; and exercise due skill, care and diligence in discharging its obligations and duties appropriate to the nature, scale and complexity of such Sub-Fund.

The Trustee shall not be liable for: (i) any act, omission, insolvency, liquidation or bankruptcy of Euro-clear Clearing System Limited or Clearstream Banking S.A. or any other recognised depositary or clearing system which may from time to time be approved by the Trustee and the Manager; or (ii) the custody or control of any investments, assets or other property which is under the custody or held by or on behalf of a lender in respect of any borrowing made by the Trustee for the purposes of the Trust or any Sub-Fund.

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.

Subject as provided in the Trust Deed, the Trustee is entitled to be indemnified from the assets of the Trust and/or each Sub-Fund from and against any and all actions, proceedings, liabilities, costs, claims, damages, expenses, including all reasonable legal, professional and other similar expenses (other than those imposed under Hong Kong law or resulting from breaches of trust through fraud or negligence on the part of the Trustee or any of its officers, employees, agents or delegates for which the Trustee would be liable under the Trust Deed), which may be incurred by or asserted against the Trustee in performing its obligations or duties in connection with the Trust or a Sub-Fund. Subject to applicable law and the provisions of the Trust Deed, the Trustee shall not, in the absence of fraud, negligence or wilful default by it or any agent, sub-custodian or delegate appointed by the Trustee, be liable for any losses, costs or damage to the Trust, any Sub-Fund or any Unitholder.

The Trustee in no way acts as guarantor or offeror of the Units or any underlying investment. The Trustee has no responsibility or authority to make investment decisions, or render investment advice with respect to the Trust or the Sub-Funds, which is the sole responsibility of the Manager.

The Trustee will not participate in transactions and activities, or make any payments denominated in US dollars, which, if carried out by a US person, would be subject to sanctions by The Office of Foreign Assets Control (the "OFAC") of the US Department of the Treasury. The OFAC administers and enforces economic sanction programs primarily against countries and groups of individuals, such as terrorists and narcotics traffickers by using the blocking of assets and trade restrictions to accomplish foreign policy and national security goals. In enforcing economic sanctions, OFAC acts to prevent "prohibited transactions", which are described by OFAC as trade or financial transactions and other dealings in which US persons may not engage unless authorised by OFAC or expressly exempted by statute. OFAC has the authority to grant exemptions to prohibitions on such transactions, either by issuing a general licence for certain categories of transactions, or by specific licences issued on a case-by-case basis. HSBC group of companies has adopted a policy of compliance with the sanctions issued by OFAC. As part of its policy, the Trustee may request for additional information if deemed necessary.

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

The Trustee is entitled to the fees set out under the section on "Fees and expenses payable by a Sub-Fund" and to be reimbursed for all costs and expenses in accordance with the provisions of the Trust Deed.

The Manager has sole responsibility for making investment decisions in relation to the Trust and/or the Sub-Funds and the Trustee (including its delegate) is not responsible and has no liability for any investment decision made by the Manager. Except as provided in the Trust Deed as expressly stated in this Prospectus and/or required by the Code, neither the Trustee nor any of its employees, service providers or agents are or will be involved in the business affairs, organisation, sponsorship or investment management of the Trust or the Sub-Fund(s), and they are not responsible for the preparation or issue of this Prospectus other than the description under the section on "The Trustee and Registrar".

The Service Agent or Conversion Agent

Where a Sub-Fund creates and redeems in-kind in respect of SEHK listed Securities, HK Conversion Agency Services Limited may act as Conversion Agent under the terms of the Conversion Agency Agreement. HK Conversion Agency Services Limited otherwise acts as Service Agent under the terms of the Service Agreement. The Service Agent or Conversion Agent performs, through HKSCC, certain of its services in connection with the creation and redemption of Units in the Sub-Fund by Participating Dealers.

The Auditor

The Manager has appointed PricewaterhouseCoopers to act as the auditor of the Trust and the Sub-Funds (the "Auditor"). The Auditor is independent of the Manager and the Trustee.

The Participating Dealers

A Participating Dealer may act for its own account or for your account as its clients in making Creation Applications and Redemption Applications. Different Sub-Funds may have different Participating Dealers. The latest list of the Participating Dealers in respect of each Sub-Fund is available at www.premia-partners.com (the contents of which and of any other website referred to in this Prospectus have not been reviewed by the SFC).

The Market Makers

A Market Maker is a broker or dealer permitted by the SEHK to make a market for the 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 Units on the SEHK. Market Makers facilitate the efficient trading 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 ensure that there is at all times at least one Market Maker for Units. 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 per Sub-Fund to facilitate the efficient trading of Units. The Manager will seek to ensure that at least one Market Maker per Sub-Fund 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 is available at www.hkex.com.hk and www.premia-partners.com (the contents of which and of any other website referred to in this Prospectus have not been reviewed by the SFC). Please refer to the section on "Website Information" for the warning and the disclaimer regarding information contained in such website.

The Listing Agent

In respect of each 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 the Sub-Funds' 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 Sub-Fund 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 the Sub-Funds and retain any profit or benefit made in connection therewith.

In addition:

(a) The Manager, the Investment Delegate, directors of the Manager or any of its Connected Persons may purchase and sell investments for the account of the Sub-Funds as agent for the Sub-Fund or deal with any Sub-Fund as principal with the prior written consent of the Trustee. D12(c)

(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 or other property for their own account or for the account of their other customers notwithstanding that similar securities or other property may be held by the Sub-Funds.

(e) Any arrangements for the borrowing or deposit of any monies for the account of the Sub-Funds 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 size and duration, in the same currency and with institutions of similar standing.

(f) Neither the Trustee nor the Manager nor any of their Connected Persons shall be liable to account to each other or to the Sub-Funds 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 or any of their Connected Persons may, in the course of business, have potential conflicts of interest with the Sub-Funds. Each will, at all times, have regard in such event to its obligations to the Sub-Funds and the Unitholders and will endeavour to ensure that such conflicts are resolved fairly.

Subject to applicable rules and regulations, the Manager, its delegate or any of its Connected Persons may enter into portfolio transactions for or with the Sub-Funds as agent in accordance with normal market practice, provided that commissions charged to the Sub-Funds in these circumstances do not exceed customary full service brokerage rates. If a broker does not provide research or other lawful C15 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 the Sub-Funds 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-Funds 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-Funds.

None of the Manager, its delegates (including Investment Delegates if any) or any of its 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 C15 indirectly) arising out of the sale or purchase or loan of investments for the Sub-Funds, and any such rebates or payments or benefits which are received shall be credited to the account of the Sub-Funds.

The Manager, its delegates (including Investment Delegates, if any) or any of its Connected Persons may receive, and are entitled to retain, goods, services or other benefits, such as research and C15 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 the Sub-Funds 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 10.12 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-Funds' annual report.

The services of the Trustee provided to the Trust and the Sub-Funds 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 the Sub-Funds 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 and the Service Agent or Conversion Agent 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, be liable to account for any profit, commission or other remuneration arising. However, all transactions carried out by or on behalf of the Sub-Funds will be on arm's length terms and in the best interest of the Unitholders. For so long as the Sub-Funds is/are 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 or any of their respective Connected Persons, must 10.13 ensure it complies with the following obligations:

10.11

(a) such transactions should be on arm’s length terms and in the best interest of the Unitholders;

(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-Funds.

Financial Reports

App E

The financial year-end of the Trust (and each Sub-Fund) is 31 December every year. Audited annual 5.10(b)
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 reports 11.6
are also to be prepared up to 30 June of each year and published on the Manager's website within 2 C18
months of such date. Once these financial reports are made available on the Manager's website, investors will be notified within the relevant timeframe.

Only an English version of the audited annual financial reports and the half-yearly unaudited financial reports of each of the Sub-Funds 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 a list of any constituent Securities 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 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 the Sub-Funds; or (ii) is 6.7
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 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 days' notice.

Where a Unitholder is a recognised clearing house (within the meaning of the Securities and Futures Ordinance) (or is its nominee(s)), it may authorise such person or persons as it thinks fit to act as its representative(s) or proxy(ies) at any meetings of Unitholders or any meetings of any class of Unitholders provided that, if more than one person is so authorised, the authorisation or proxy form must specify the number and class of Units in respect of which each such person is so authorised. The person so authorised will be deemed to have been duly authorised without the need of producing any documents of title, notarized authorisation and/or further evidence for substantiating the facts that it is duly authorised (save that the Trustee shall be entitled to request for evidence from such person to prove his/her identity) and will be entitled to exercise the same power on behalf of the recognized clearing house as that clearing house or its nominee(s) could exercise if it were an individual Unitholder of the Trust. For the avoidance of doubt, a Unitholder who is a recognised clearing house (or its nominee(s)) shall exercise its voting rights in compliance with the applicable CCASS rules and/or operational procedures.

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 the Sub-Funds 6.15(f) 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 cast. 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 directors of the Manager, the Trustee, the Manager, Investment Delegate and any of their Connected Persons are prohibited from voting their beneficially owned Units at, or counted in the quorum for, a meeting at which they have a material interest in the business to be contracted; 6.15(h)

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; or

(vii) holders representing at least 50% in value of the units outstanding (for which purpose Units held or deemed to be held by the Manager shall not be regarded as being outstanding), deliver to the trustee a written request to dismiss the management company.

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;

(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;

(iii) in the opinion of the Manager, it is impracticable or inadvisable to continue the Trust (including without limitation, a situation where it is no longer economically viable to operate the Trust);

(iv) the respective Index/Indices of all Sub-Fund(s) is/are no longer available for benchmarking or if the Units of all the relevant Sub-Fund(s) are no longer listed on the SEHK or any such other stock exchange from time to time determined by the Manager;

(v) at any time, all Sub-Funds ceases to have any Participating Dealer; or

(vi) 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;

(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) its Index is no longer available for benchmarking or if the 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, the relevant Sub-Fund ceases to have any Participating Dealer; or

(v) the Manager is unable to implement its investment strategy. Further, the Unitholders may at any time authorise termination of the Trust or the relevant Sub-Funds 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-Funds; 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 the Sub-Funds 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-Funds and the alternatives available to them, and any other information required by the Code. Any unclaimed proceeds or other monies held by the Trustee under the provisions of this paragraph may at the expiration of twelve months from the date C25 upon which the same became payable be paid into court subject to the right of the Trustee to deduct therefrom any expenses it may incur in making such payment

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. Unless otherwise specified in the relevant Appendix, no distribution will be paid out of capital and/or effectively out of capital of the Sub-Fund. There can be no assurance that such entities will declare or pay dividends or distributions.

Inspection of Documents

Copies of the following documents 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 (d) free of charge and in the case of (a) to (c) at a cost of HKD150 per set of copy documents:

(a) Trust Deed;

(b) Service Agreement(s) and Conversion Agency Agreement(s);

(c) Participation Agreement(s); and

(d) The most recent annual financial statements of the Trust and the Sub-Funds (if any) and the most recent interim financial statements of the Trust and the Sub-Funds (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, the Sub-Funds 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

C2C

The Manager has established a liquidity management policy which enables it to identify, monitor and manage the liquidity risks of the Sub-Funds 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 the Sub-Funds. 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 "Creations and Redemptions (Primary Market)", 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 the Sub-Funds under normal and exceptional market conditions.

As a liquidity risk management tool, the Manager may 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 in such a Sub-Fund then in issue (subject to the conditions under the heading entitled "Deferred Redemption" in the section headed "Creations and Redemptions (Primary Market)).

Index Licence Agreements

Please refer to the relevant Appendix for details in respect of each Index.

Material Changes to an Index

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

The Manager reserves the right, with the prior approval of the SFC (to the extent required under applicable regulatory requirements) and provided that in its opinion the interests of the Unitholders 8.6(k)
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 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 in respect of the relevant Index), in the English and Chinese languages (unless otherwise specified), on the following website www.premia-partners.com (which has not been reviewed or approved by the SFC) and, where applicable, HKEx's website www.hkex.com.hk including:

(a) this Prospectus and the Product Key Facts Statement in respect of each of the Sub-Funds (as revised from time to time);

(b) the latest annual audited financial reports and interim half yearly unaudited financial reports (in English only); 6.3

(c) any notices relating to material changes to any of the Sub-Funds which may have an impact on its investors such as material alterations or additions to this Prospectus (including each Product Key Facts Statement) 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 of the Sub-Funds, including information with regard to a Sub-Fund and the Sub-Fund's Index, the suspension of creations and redemptions of Units, the suspension of the calculation of its Net Asset Value, changes in its fees and the suspension and resumption of trading in its Units;

(e) the near real time estimated Net Asset Value per Unit of each Sub-Fund (updated every 15 seconds throughout each Dealing Day) in each trading currency of the Sub-Fund;

(f) the last closing Net Asset Value of each Sub-Fund in the Base Currency of the Sub-Fund and the last closing Net Asset Value per Unit of each Sub-Fund in the Base Currency of the Sub-Fund and in each trading currency;

(g) the past performance information of each Sub-Fund;

(h) the tracking difference and tracking error of each Sub-Fund;

(i) the full composition of each Sub-Fund (updated on a daily basis unless otherwise specified in the relevant Appendix); 8.6(u)(iii)

(j) the latest list of the Participating Dealers and Market Makers; and

(k) if applicable to the Sub-Fund, 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.

The near real time estimated Net Asset Value per Unit in each trading currency of a Sub-Fund referred to above are indicative and for reference only. This is updated every 15 seconds during SEHK trading hours and is calculated by the respective calculating agents below:

Sub Fund	Currency	Calculating Agent
Premia CSI Caixin China Bedrock Economy ETF	RMB, HKD	Interactive Data (Hong Kong) Limited
Premia CSI Caixin China New Economy ETF	RMB, HKD	Interactive Data (Hong Kong) Limited

Sub Fund	Currency	Calculating Agent
Premia Asia Innovative Technology ETF	USD, HKD	Interactive Data (Hong Kong) Limited
Premia Dow Jones Emerging ASEAN Titans 100 ETF	USD, HKD	Interactive Data (Hong Kong) Limited
Premia US Treasury Floating Rate ETF	USD, HKD	Solactive AG
Premia MSCI Vietnam ETF	USD, HKD	Solactive AG
Premia China Treasury and Policy Bank Bond Long Duration ETF	RMB, USD, HKD	Interactive Data (Hong Kong) Limited
Premia China USD Property Bond ETF	RMB, USD, HKD	Interactive Data (Hong Kong) Limited

Where the Base Currency of a Sub-Fund is RMB, the near real time estimated Net Asset Value per Unit in HKD or USD is calculated using the near real time estimated Net Asset Value per Unit in RMB multiplied by a near real time HKD:RMB or USD:RMB foreign exchange rate for offshore RMB (CNH) quoted by the relevant calculating agent. Since the estimated Net Asset Value per Unit in RMB will not be updated when the underlying A-Shares market is closed, the change in the estimated Net Asset Value per Unit in HKD and USD (if any) during such period is solely due to the change in the near real time foreign exchange rate. The last closing Net Asset Value per Unit in HKD and USD are indicative and for reference only and are calculated by the Trustee using the official last closing Net Asset Value per Unit in RMB multiplied by an assumed foreign exchange rate (i.e. not a real time exchange rate) being the fixing exchange rate provided by WM/Reuters as of the same dealing day at the time specified in the relevant Product Key Facts Statement. Similarly, the last closing Net Asset Value per Unit in RMB will remain unchanged during the period when the A-Share market is closed for normal trading.

Where the Base Currency of a Sub-Fund is USD, the near real time estimated Net Asset Value per Unit in HKD or RMB is calculated using the near real time estimated Net Asset Value per Unit in USD multiplied by a near real time USD:HKD or USD:RMB foreign exchange rate quoted by the relevant calculating agent. Since the estimated Net Asset Value per Unit in USD will not be updated when the underlying share / bond markets are closed, the change in the estimated Net Asset Value per Unit in HKD and RMB during such period is solely due to the change in the near real time foreign exchange rate. The last closing Net Asset Value per Unit in HKD and RMB are indicative and for reference only and is calculated by the Trustee using the official last closing Net Asset Value per Unit in USD multiplied by an assumed foreign exchange rate (i.e. not a real time exchange rate) being the fixing exchange rate for USD provided by WM/Reuters as of the same dealing day at the time specified in the relevant Product Key Facts Statement. Similarly, the last closing Net Asset Value per Unit in USD and the last closing Net Asset Value per Unit in HKD will remain unchanged when the underlying share / bond markets are closed for normal trading.

Where the Base Currency of a Sub-Fund is HKD, the near real time estimated Net Asset Value per Unit in RMB or USD is calculated using the near real time estimated Net Asset Value per Unit in HKD multiplied by a near real time RMB:HKD and USD:HKD foreign exchange rate quoted by the relevant calculating agent. The last closing Net Asset Value per Unit in RMB and USD are indicative and for reference only and is calculated by the Trustee using the official last closing Net Asset Value per Unit in HKD multiplied by an assumed foreign exchange rate (i.e. not a real time exchange rate) being the fixing exchange rate provided by WM/Reuters as of the same dealing day at the time specified in the relevant Product Key Facts Statement.

Real-time 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

Premia Partners Company Limited
12/F, Baskerville House
13 Duddell Street
Central
Hong Kong

Trustee

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
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 www.premia-partners.com (the contents of which and of other websites referred to in this Prospectus have 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.

Taxation of the Trust and Sub-Funds

Hong Kong Profits Tax

As the Trust and each Sub-Fund 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.

Other Jurisdictions

Notwithstanding that profits or income of the Trust and each Sub-Fund are exempt from Hong Kong profits tax, the Trust and the Sub-Funds may be subject to tax in certain jurisdictions, such as the United States of America, where investments are made on income and/or capital gains derived from such investments. The Trust or a Sub-Fund may also be indirectly subject to withholding tax on any cash dividends and distributions that the Trust or the Sub-Fund receives from investment in other jurisdictions. As such, any distribution to Unitholders will be net of such taxes, if applicable.

Taxation of the Unitholders

Profits Tax

Where the Unitholders do not carry on a trade, profession or business in Hong Kong or the Units in the Sub-Funds are held by the Unitholders as capital assets for Hong Kong profits tax purposes, gains arising from the sale or disposal or redemption of the Units in the Sub-Funds should not be taxable. For Unitholders carrying on a trade, profession or business in Hong Kong, such gains may be subject to 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 individuals and unincorporated business) if the gains in question arise in or are derived from such trade, profession or business and sourced in Hong Kong and are of a revenue nature. Unitholders should take advice from their own professional advisers as to their particular tax position.

Distributions by the Trust/Sub-Funds should generally not be subject to Hong Kong profits tax in the hands of the Unitholders according to the practice of the Inland Revenue Department of Hong Kong (as at the date of this Prospectus).

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 (Cap.17) of Hong Kong (the “Stamp Duty Ordinance”).

Under a remission order issued by the Secretary for the Treasury on 20 October 1999, no Hong Kong stamp duty is payable on an issue or redemption of Units.

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

Hong Kong requirements regarding tax reporting

The Inland Revenue (Amendment) (No.3) Ordinance (the "Ordinance") 2016 came into force on 30 June 2016. This is the legislative 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 collect certain required information relating to non-Hong Kong tax residents holding financial accounts with the FIs and controlling persons of certain entities holding accounts with FIs, and report the relevant information to the Hong Kong Inland Revenue Department ("IRD") for the purpose of AEOI exchange. The information of account holders who are tax resident in an AEOI reportable jurisdiction will automatically be exchanged with that jurisdiction. Subject to the passage of the Inland Revenue (Amendment) (No.3) Bill 2017, the number of reportable jurisdictions will be increased to include jurisdictions which Hong Kong has yet to enter into a Competent Authority Agreement ("CAA"). 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 the Sub-Funds and/or continuing to invest in the Sub-Funds, Unitholders acknowledge that they are required to enable the Trust and/or the Sub-Funds to comply with AEOI by providing the required information to the Trust, the Sub-Funds, the Managers and/or the agents of the Trust and/or the Sub-Funds 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 Unitholders 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 AEOI on its current or proposed investment in the Sub-Fund(s).

PRC taxation

The following summary of PRC 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 PRC and the laws and practice of their respective jurisdictions. The information below is based on the law and practice in force in PRC at the date of this Appendix. 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 Appendix. 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.

Corporate income tax ("CIT")

If the Trust or a Sub-Fund is considered as a tax resident enterprise of the PRC, it will be subject to PRC CIT at 25% on its worldwide taxable income. If the Trust or a Sub-Fund is considered as a non-tax resident enterprise with an establishment or a place of business or a permanent establishment (collectively known as "PE") in the PRC, the profits attributable to that PE would be subject to CIT at 25%.

The Manager intends to manage and operate the Trust and the Sub-Funds in such a manner that the Trust and the Sub-Funds should not be treated as tax resident enterprises of the PRC or non-tax resident enterprises with a PE in the PRC for CIT purposes, although this cannot be guaranteed.

Dividend and interest income

Unless a specific exemption or reduction is available under current PRC tax laws and regulations or relevant tax treaties, non-tax resident enterprises without a PE in the PRC are subject to CIT on a withholding basis, generally at a rate of 10%, to the extent it directly derives the PRC sourced passive income. In that respect, pursuant to Circular 81 and Circular 127, income from dividends and profit distributions of companies from PRC, received by Hong Kong and overseas investors, including any Sub-Fund, via the Stock Connect, is generally subject to PRC WIT at a rate of 10%. Further, under the prevailing PRC tax laws and regulations, RQFIIs are subject to PRC WIT of 10% on dividends distributed by PRC listed companies. Such WIT may be subject to reduction or exemption in accordance with an applicable tax treaty signed with the PRC.

Under the "Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (the "China-HK Arrangement"), dividends distributed by a PRC tax resident to a Hong Kong tax resident would be subject to a reduced PRC WIT rate of 5% provided (i) the Hong Kong tax resident is the beneficial owner of the dividend; (ii) the Hong Kong tax resident holds at least 25% of the equity of the PRC tax resident; and (iii) the relevant treaty conditions are satisfied. Due to the Sub-Funds' investment restriction, the Sub-Funds would not hold more than 10% of the ordinary shares issued by any single PRC issuer. In this connection, the Sub-Funds would not be able to enjoy the reduced WIT rate of 5% provided under the China-HK Arrangement.

On 22 November 2018, the Ministry of Finance ("MOF") and State Taxation Administration ("STA") of the PRC jointly released circular Caishui [2018] No. 108 ("Circular 108") to address the tax issues in relation to bond interest income received by foreign institutional investors from investments in the PRC bond market. Under Circular 108, for foreign institutional investors without a PE in the PRC (or having a PE in the PRC but the income so derived in the PRC is not effectively connected with such PE) such bond interest income received from 7 November 2018 to 6 November 2021 will be temporarily exempt from CIT. As this exemption granted under Circular 108 is temporary, it is uncertain whether such exemption policy would be extended after 6 November 2021. The Chinese bond issuers paying such interests are technically obliged to withhold the tax on behalf of the recipients. Accordingly, the Sub-Fund may be subject to WIT on any interest it receives from its investment in Policy Bank Bonds at the rate of 10%, subject to an applicable double tax treaty or arrangement, If any. Further, Circular 108 does not apply to interest income derived by foreign institutional investors from investments in bonds issued by mainland China issuers outside the PRC. Such bond interest income is technically subject to PRC WIT at a rate of 10%, unless it is reduced under an applicable tax treaty signed with the PRC.

Interest derived from government bonds issued by the in-charge Finance Bureau of the State Council and/or local government bonds approved by the State Council is exempt from PRC CIT under the PRC CIT Law.

The Manager does not intend to make provisions on interest from PRC Securities or USD denominated bonds issued by mainland China issuers outside the PRC if the aforementioned PRC WIT is not withheld at source at the time when such income is received.

Capital gains

Based on the PRC CIT Law and its Implementation Rules, “income from the transfer of property” sourced from the PRC by a non-PRC tax resident enterprise should be subject to WIT of 10%. However, pursuant to Circular 81 and Circular 127, PRC CIT will be temporarily exempted on capital gains derived by Hong Kong market investors (including the Sub-Funds) on the trading of A-Shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect with effect from 17 November 2014 and 5 December 2016 respectively. Based on Circular 81 and Circular 127, no provision for gross realised or unrealised capital gains derived from trading of A-Shares via Stock Connect is made by the Manager on behalf of the Sub-Funds.

Further, on 14 November 2014, the MOF, STA and the China Securities Regulatory Commission (“CSRC”) of the PRC jointly released Caishui [2014] No. 79 (“Circular 79”) to address the tax issues in relation to capital gains from equity investments derived by RQFIIs. Under Circular 79, for RQFIIs without a PE in the PRC (or having a PE in the PRC but the income so derived in the PRC is not effectively connected with such PE), such capital gains will be temporarily exempt from PRC WIT if they are realized on or after 17 November 2014.

Circular 79 did not provide further guidance on whether the temporary exemption applies to securities other than A-Shares. In the absence of further guidance, the PRC CIT treatment should be governed by the general tax provisions of the PRC CIT law. In relation to capital gains realized from the disposal of PRC bonds, the PRC tax authorities have verbally indicated on numerous occasions, that such gains are non-PRC sourced income and hence not subject to PRC WIT. However, there is no specific written tax regulation to confirm the same. In practice, the PRC tax authorities have not actively enforced the collection of PRC WIT on gains realized from the disposal of bonds issued by mainland China issuers both within and outside the PRC. Should the PRC tax authorities decide to levy tax on such gains in the future, the Manager would seek to apply with the PRC tax authorities to treat the Sub-Fund as a HK tax resident and rely on the capital gain tax exemption accorded under the China-HK Arrangement, although this cannot be guaranteed.

Value-added Tax (“VAT”) and other surtaxes

The PRC has introduced VAT to replace Business Tax (“BT”) across all industry sectors which were historically under the BT regime. Caishui [2016] No. 36 (“Notice No. 36”) contains the VAT rates and rules applicable to the extension of VAT to financial services with effect from 1 May 2016.

Notice No. 36 provides that VAT at the rate of 6% applies generally to net gains derived from the trading in PRC marketable securities.

In addition, if VAT is applicable, local surcharges (which include Urban Construction and Maintenance Tax, Education Surcharge and Local Education Surcharge) would be imposed based on VAT liabilities. The amount of local surcharges differs from location to location, but the total would typically be expected to amount to approximately 6.8%.

There are certain exemptions from VAT applicable under Notice No. 36, Circular 127 and Caishui [2016] No. 70 ("Notice No. 70"), which include (among others) gains derived by Hong Kong market investors (including Sub-Funds) from the trading of A-Shares through the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect. Further, pursuant to Circular 70, gains derived by RQFIIs from the transfer of PRC securities (including A-Shares and PRC bonds) will be exempt from VAT since 1 May 2016. If the Sub-Fund derives capital gains from the trading of bonds issued outside the PRC by mainland China issuers, such capital gains are generally not subject to VAT based on Circular 36 if both the seller and purchaser are outside the PRC and the transactions are completed outside the PRC.

Circular 108 provides for VAT exemption in respect of bond interest income received by foreign institutional investors from investments in the PRC bond market during the period from 7 November 2018 to 6 November 2021. However, Circular 108 does not apply to interest income derived by foreign institutional investors from investments in bonds issued by mainland China issuers outside the PRC. Such bond interest income is technically subject to PRC VAT at a rate of 6% based on Circular 36. Further, according to Circular 36, interest income earned on government bonds is exempt from VAT. Interest income earned on government bonds is exempt from VAT based on Circular 36.

Dividends and profit distributions are generally considered to be outside the scope of what is taxable under the PRC's VAT rules, although the VAT rules do not specifically state this.

The Manager does not intend at this stage to make any provision for VAT on any realised or unrealised gains derived by any of the Sub-Fund from (1) trading of A-Shares via Stock Connect and/or QFI, (2) gain on trading of PRC bonds, (3) interest income from the investments of PRC bonds through Bond Connect, (4) interest income from the investments of bonds issued by mainland China issuers outside the PRC, and (5) on any dividends or on any profit distributions derived by the Sub-Funds in respect of investments or investors which fall within the scope of the exempted categories set out above.

Stamp duty

Stamp duty under the PRC laws generally applies to the execution and receipt of all taxable documents listed in the PRC's Provisional Rules on Stamp Duty. Stamp duty is levied on the execution or receipt in the PRC of certain documents, including contracts for the sale of A-Shares and B-Shares traded on the PRC stock exchanges. In the case of contracts for sale of A-Shares and B-Shares, such stamp duty is currently imposed on the seller but not on the purchaser, at the rate of 0.1% of the sales consideration. The Sub-Fund will be subject to this tax on each disposal of PRC A-Shares.

General

It should be noted that the actual applicable tax amount imposed by PRC tax authorities may be different and may change from time to time. There is a possibility of the rules being changed and taxes being applied retrospectively. As such, any provision for taxation made by the Manager may be excessive or inadequate to meet final PRC tax liabilities. Consequently, Unitholders may be advantaged or disadvantaged depending upon the final tax liabilities, the level of provision and when they subscribed and/or redeemed their Units.

If the actual applicable tax amount levied by PRC tax authorities is higher than that provided for by the Manager so that there is a shortfall in the tax provision amount, investors should note that the Net Asset Value of a Sub-Fund may suffer more than the tax provision amount as such Sub-Fund will ultimately have to bear the additional tax liabilities. In this case, the then existing and new Unitholders will be disadvantaged. On the other hand, if the actual applicable tax amount levied by PRC tax authorities is lower than that provided for by the Manager so that there is an excess in the tax provision amount, Unitholders who have redeemed their Units before the PRC tax authorities' ruling, decision or guidance in this respect will be disadvantaged as they would have borne the loss from the Manager's overprovision. In this case, the then existing and new Unitholders may benefit if the difference between the tax provision and the actual taxation liability under that lower tax rate can be returned to the account of the relevant Sub-Fund as assets thereof. Notwithstanding the above provisions, Unitholders who have already redeemed their Units in a Sub-Fund before the return of any overprovision to the account of such Sub-Fund will not be entitled or have any right to claim any part of such overprovision.

Unitholders should seek their own tax advice on their tax position with regard to their investment in any of the Sub-Funds.

It is possible that the current tax laws, regulations and practice in the PRC will change, including the possibility of taxes being applied retrospectively, and that such changes may result in higher taxation on PRC investments than currently contemplated.

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 and listed on the SEHK. 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 Appendix to "Index" refer to the relevant Index details of which are set out in that Appendix.

APPENDIX 1: PREMIA CSI CAIXIN CHINA BEDROCK ECONOMY ETF

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.

Index	CSI Caixin Rayliant Bedrock Economy Index
Type of Index	Total return
Listing Date (SEHK)	24 October 2017
Exchange Listing	SEHK – Main Board
Stock Code	09803 – USD counter 02803 – HKD counter
Trading Board Lot Size	500 Units – USD counter 500 Units – HKD counter
Base Currency	Renminbi (RMB)
Trading Currency	Hong Kong dollars (HKD) United States dollars (USD)
Distribution Policy	The Manager intends to pay distributions to Unitholders at least annually (in July each year). All Units will receive distributions in the Base Currency (RMB) only.* Distributions may be made out of capital or effectively out of capital as well as income at the Manager's discretion. Where distributions are made out of capital or effectively out of capital, this may result in an immediate reduction in the Net Asset Value per Unit
Creation/Redemption Policy	Cash (RMB) only
Application Unit Size (only by or through Participating Dealers)	Minimum 500,000 Units (or multiples thereof)
Dealing Deadline	2:00 p.m. (Hong Kong time)
Management Fee	Currently 0.50% per year of the Net Asset Value
Investment Strategy	Representative sampling. Please refer to the section on "What is the investment strategy?" below
Maximum Deviation from Index Weighting	3%
Ongoing Charges Over a Year**	0.50%
Financial Year End	31 December
Listing Agent	Altus Capital Limited

Market Makers* **	SG Securities (Hong Kong) Limited
Participating Dealers* **	ABN AMRO Clearing Hong Kong Limited Canfield Securities Company Limited Cathay Securities (Hong Kong) Limited CCBI International Securities Limited China Merchants Securities (HK) Co., Limited Citigroup Global Markets Asia Limited GF Securities (Hong Kong) Brokerage Limited Goldman Sachs (Asia) Securities Limited Guotai Junan Securities (Hong Kong) Limited Haitong International Securities Company Limited KGI Asia Limited Merrill Lynch Far East Limited SG Securities (Hong Kong) Limited Yuanta Securities (Hong Kong) Company Limited
Service Agent	HK Conversion Agency Services Limited
Website	www.premia-partners.com

* *All Units will receive distributions in RMB only. In the event that the relevant Unitholder has no RMB account, the Unitholder may have to bear the fees and charges associated with the conversion of such dividend from RMB into HKD or any other currency. Unitholders are advised to check with their brokers regarding arrangements for distributions and to consider the risk factor entitled "Other currency distributions risk" below.*

** *As the Sub-Fund adopts a single management fee structure as described in "Fees and expenses" below, the ongoing charges of the Sub-Fund will be equal to the amount of the Management Fee which is a single management fee and is capped at a maximum of 0.50% of the average Net Asset Value of the Sub-Fund. Any ongoing expenses exceeding 0.50% of the average Net Asset Value of the Sub-Fund will be borne by the Manager and will not be charged to the Sub-Fund.*

*** *Please refer to the Manager's website for the latest lists of Market Makers and Participating Dealers for the Sub-Fund.*

What is the investment objective?

The investment objective of the Sub-Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the Index. There can be 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 an optimised representative sampling strategy by investing, directly or indirectly, in a representative sample of the Securities in the Index that collectively reflects the investment characteristics of the Index via the Stock Connect. The Sub-Fund may or may not hold all of the Securities that are included in the Index, and may hold Securities which are not included in the Index, provided that these collectively feature a high correlation with the Index. The Manager may invest up to 100% of the Net Asset Value of the Sub-Fund through the Stock Connect.

The Sub-Fund may also invest in money market funds and in cash deposits for cash management purposes although such investments are not anticipated to exceed 5% of the Net Asset Value of the Sub-Fund.

Currently, the Manager has no intention to invest the Sub-Fund in any FDIs (including structured products or instruments) for hedging or non-hedging (i.e. investment) purposes, and will not enter into Securities Lending Transactions, repurchase or Reverse Repurchase Transactions and other similar over-the-counter transactions. The Manager will seek the prior approval of the SFC (to the extent required under applicable regulatory requirements) and provide at least one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) before the Manager engages in any such investments.

Prior approval of the SFC (to the extent required under applicable regulatory requirements) will be sought and not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) will be given to the Unitholders in the event the Manager wishes to adopt investment strategy other than representative sampling strategy.

The investment strategy of the Sub-Fund is subject to the investment and borrowing restrictions set out in Part 1 of this Prospectus.

Notwithstanding the investment and borrowing restrictions set out in Part 1 of this Prospectus, the Sub-Fund shall not invest in units or shares of other collective investment schemes.

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.

Fundamental multi-factor weighted index risks

The Index is a new fundamental multi-factor weighted index whereby constituents are selected and weighted based on certain quantitative investment factors. While the Index seeks to enhance return by focusing on such factors which may have historically outperformed the overall market, there can be no assurance that the Index will outperform the market at any time. It is possible that the Index may underperform capitalisation weighted indices or other benchmarks in some market environments, potentially for extended periods. The Index methodology of focusing on certain factors may lead to unintended portfolio concentration in, for example, specific industry sectors. The Sub-Fund by tracking the Index may also have relatively large holdings in companies with relatively smaller market capitalisation than it would have held if tracking a capitalisation weighted index. The Sub-Fund may be subject to higher concentration risk as a result and the Sub-Fund's returns may be adversely affected.

Risk associated with small-capitalisation/mid-capitalisation companies

The stock of small-capitalisation/mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

Distributions out of or effectively out of capital risk

The Manager may, at its discretion make distributions out of capital. The Manager may also, at its discretion, make distributions out of gross income while all or part of the fees and expenses of the Sub-Fund are charged to/paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of distributions by the Sub-Fund and therefore, the Sub-Fund may effectively pay distributions out of the capital. 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 distributions involving payment of distributions out of or effectively out of the Sub-Fund's capital may result in an immediate reduction of the Net Asset Value per Unit. The Manager may amend its distribution policy subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) to Unitholders.

Other currency distributions risk

Investors should note that all Units will receive distributions in the Base Currency (RMB) only. In the event that the relevant Unitholder has no RMB account, the Unitholder may have to bear the fees and charges associated with the conversion of such distribution from RMB to HKD or any other currency. The Unitholder may also have to bear bank or financial institution fees and charges associated with the handling of the distribution payment. Unitholders are advised to check with their brokers regarding arrangements for distributions.

Trading hours differences risk

As the SSE and the SZSE may be open when Units in the Sub-Fund are not priced, the value of the Securities in the Sub-Fund's portfolio may change on days when investors will not be able to purchase or sell the Sub-Fund's Units. Furthermore, the market price of underlying Securities listed on the above stock exchanges which are established outside Hong Kong may not be available during part or all of the SEHK trading sessions due to trading hour differences which may result in the trading price of the Sub-Fund deviating away from the Net Asset Value. A-Shares may be subject to trading bands which restrict increases and decreases in the trading price. Units listed on the SEHK are not. The prices quoted by the SEHK market maker would therefore be adjusted to take into account any accrued market risk that arises from such unavailability of the Index level and as a result, the level of premium or discount of the Unit price of the Sub-Fund to its Net Asset Value may be higher.

The offering phases

Dealings in the Units on the SEHK commenced on 24 October 2017.

The current Dealing Deadline After Listing is 2:00 p.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager (with the approval of Trustee) may determine on any day when the trading hours of the SEHK, the SSE and/or the SZSE are reduced.

All Creation Applications must be made in cash (in RMB only). Settlement in cash for subscribing Units is due at the time specified in the Operating Guidelines on the relevant Dealing Day in accordance with the Operating Guidelines.

The attention of investors is drawn to the section entitled "The Offering Phases" in Part 1 of this Prospectus.

RMB payment procedures

Investors may, unless otherwise agreed by the relevant Participating Dealer, apply for Units through Participating Dealers only if they have sufficient RMB to pay the application monies and the related fees. Investors should note that RMB is the only official currency of the PRC. While both onshore RMB ("CNY") and offshore RMB ("CNH") are the same currency, they are traded in different and separated markets. Since the two RMB markets operate independently where the flow between them is highly restricted, CNY and CNH are traded at different rates and their movement may not be in the same direction. Although there is a significant amount of RMB held offshore (i.e. outside the

PRC), CNH cannot be freely remitted into the PRC and is subject to certain restrictions, and vice versa. As such whilst CNH and CNY are both the same currency, certain special restrictions do apply to RMB outside the PRC. The liquidity and trading price of the Sub-Fund may be adversely affected by the limited availability of, and restrictions applicable to, RMB outside the PRC.

Application monies from Participating Dealers to the Sub-Fund will be paid in RMB only. Accordingly a Participating Dealer may require an investor (as its client) to pay RMB to it. Payment details will be set out in the relevant Participating Dealer's documentation such as the application form for its clients. As such, an investor may need to have opened a bank account (for settlement) and a securities dealing account if a Participating Dealer is to subscribe for Units on behalf of the investor as it will need to have accumulated sufficient RMB to pay at least the aggregate Issue Price and related costs, to the Participating Dealer or if an application to the Participating Dealer is not successful or is successful only in part, the whole or appropriate portion of the monies paid will need to be returned to the investor by the Participating Dealer by crediting such amount into the investor's RMB bank account. Similarly, if an investor wishes to buy and sell Units in the secondary market on the SEHK, the investor may need to open a securities dealing account with its broker. Each investor will need to check with the relevant Participating Dealer and/or its broker for payment details and account procedures.

If any investors wish to buy or sell Units on the secondary market, they should contact their brokers and they are advised to check with their brokers regarding arrangements for distributions in RMB. CCASS Investor Participants who receive distributions in RMB should make sure that they have set up an RMB designated bank account with CCASS.

Investors should consult the banks for the account opening procedures as well as terms and conditions of the RMB bank account. Some banks may impose restrictions on their RMB cheque account and fund transfers to third party accounts. For non-bank financial institutions (e.g. brokers), however, such restriction will not be applicable and investors should consult their brokers as to the currency exchange service arrangement, if required. Investors without RMB accounts should note that distributions are made in RMB only and as such may suffer a foreign exchange loss and incur fees and charges associated with the conversion of distributions from RMB to HKD or any other currency to receive their distributions.

The transaction costs of dealings in the Units on the SEHK include the SEHK trading fee and SFC transaction levy. All these secondary trading related fees and charges will be collected in HKD.

Investors should consult their own brokers or custodians as to how and in what currency the trading related fees and charges and brokerage commission should be paid by the investors.

Where payment in RMB is to be made by cheque investors are advised to consult the bank at which their respective RMB bank accounts are opened in advance whether there are any specific requirements in relation to the issue of RMB cheques. In particular, investors should note that some banks have imposed an internal limit (usually RMB80,000) on the balance of RMB cheque account of their clients or the amount of cheques that their clients can issue in a day and such limit may affect an investor's arrangement of funding for an application (through a Participating Dealer) for creation of Units.

When an individual investor opens an RMB bank account or settle RMB payments, he or she will be subject to a number of restrictions, including the daily maximum remittance amount to the PRC of RMB80,000, and a remittance service is only available to an RMB deposit account-holder who remits from his or her RMB deposit account to the PRC and provided that the account name of the account in the PRC is identical with that of the RMB bank account with the bank in Hong Kong.

Please also refer to the RMB related risk factors in the section on "Risk factors specific to the Sub-Fund" above for further details.

Multi-Counter

The Manager has arranged for the Units of the Sub-Fund to be available for trading on the secondary market on the SEHK under a Multi-Counter arrangement. Units are denominated in RMB. The Sub-Fund offers 2 trading counters on the SEHK (i.e. HKD counter and USD counter) to investors for secondary trading purposes. Units traded in HKD counter will be settled in HKD and Units traded in USD counter will be settled in USD. Apart from settlement in different currencies, the trading prices of Units in the counters may be different as the different counters are distinct and separate markets.

Units traded on each counters are of the same class and all Unitholders of all counters are treated equally. The counters will have different stock codes (as set out in the section “Key Information” above), different stock short names and different ISIN numbers.

Normally, investors can buy and sell Units traded in the same counter or alternatively buy in one counter and sell in the other counter provided their brokers provide HKD and USD trading services at the same time and offer inter-counter transfer services to support Multi-Counter trading. Inter-counter buy and sell is permissible even if the trades take places within the same trading day. However, investors should note that the trading price of 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, including inter-counter transfers. Investors’ attention is also drawn to the risk factor above entitled “Risks Associated with Multi-Counter”.

Exchange Listing and Trading (Secondary Market)

General

Units traded in HKD have been issued and listed on the SEHK.

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 Units on one or more other stock exchanges. Investors’ attention is drawn to the section entitled “Exchange Listing and Trading (Secondary Market)” in Part 1 of this Prospectus for further information.

Dealings on the SEHK in Units traded in HKD began on 24 October 2017. Units are traded on the SEHK in board lots of 500 Units.

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

Redemptions

Units can be redeemed directly (through a Participating Dealer). Redemption proceeds shall be paid in RMB only, except that under exceptional circumstances, redemption proceeds may be paid in USD or HKD instead due to the exchange controls and restrictions applicable to RMB. Please refer the risk factor “Non-RMB or late settlement redemption risk” above for further information in this regard.

Distribution policy

The Manager intends to declare and distribute net dividends to Unitholders at least annually (in July each year). The Manager will make an announcement prior to any distribution in respect of the relevant distribution amount in RMB only. Distributions may be made out of capital as well as income at the Manager’s discretion. The Manager may also, at its discretion, pay dividend out of gross income while all or part of the fees and expenses of the Sub-Fund are charged to/paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and therefore, the Sub-Fund may effectively pay dividend out of capital. The Manager may amend the policy with respect to distribution out of capital or effectively out of capital subject to the SFC’s prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month’s prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) to investors.

Each Unitholder will receive distributions in RMB only. Unitholders without RMB accounts may have to bear the fees and charges associated with the conversion of such dividend from RMB into HKD or any other currency. Unitholders are advised to check with their brokers regarding arrangements for distributions.

Distribution payment rates in respect of Units will depend on factors beyond the control of the Manager or Trustee including, general economic conditions, and the financial position and dividend or distribution policies of the relevant underlying entities. There can be no assurance that such entities will declare or pay dividends or distributions.

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 distributions involving payment out of or effectively out of the Sub-Fund’s capital may result in an immediate reduction in the Net Asset Value per Unit.

The composition of distributions payable on Units (i.e. the relative amounts of distributions paid and the percentages of dividends out of (i) net distributable income and (ii) capital), if any, for the last 12 months are available from the Manager on request and are also published on the website www.premia-partners.com. The Manager may amend the Sub-Fund’s distribution policy with respect to the distributions out of capital or effectively out of capital of the Sub-Fund subject to the SFC’s prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) .

Fees and expenses

The Sub-Fund employs a single management fee structure, with the Sub-Fund paying all of its fees, costs and expenses (and its due proportion of any costs and expenses of the Trust allocated to it) as a single flat fee (the “Management Fee”). Fees and expenses taken into account in determining the Management Fee include, but are not limited to, the Manager’s fee, Trustee’s fee, Registrar’s fees, fees of the Service Agent, fees and expenses of the auditors, securities transaction fee, ordinary out-of-pocket expenses incurred by the Manager or the Trustee and costs and expenses of licensing the Index. The Management Fee does not include brokerage and transaction costs, fees and extraordinary items such as litigation expenses.

The ongoing charges of the Sub-Fund is equal to the amount of the Management Fee which is capped at a maximum of 0.50% per year of the Net Asset Value of the Sub-Fund and is accrued daily and calculated as at each Dealing Day. It is payable out of the Sub-Fund monthly in arrears in RMB. Any increase or removal of the cap is subject to the prior approval of the SFC (to the extent required under applicable regulatory requirements) and one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) .

The Index

This section is a brief overview of the Index. It contains a summary of the principal features of the Index and is not a complete description of the Index. As of the date of this Prospectus, the summary of the Index in this section is accurate and consistent with the complete description of the Index.

Complete information on the Index appears in the website identified below. Such information may change from time to time and details of the changes will appear on that website.

General information on the Index

The Index of the Sub-Fund is the CSI Caixin Rayliant Bedrock Economy Index. The Index is a fundamental multi-factor weighted index which is designed to track the performance of economically important A-Shares companies while offering investors exposure to factors that have delivered excess returns historically. Constituents are selected based on a combination of factors relating to economic size, financial health and volatility and then weighted by factors measuring economic size.

The Index is compiled and published by China Securities Index Co., Ltd ("CSI" or the "Index Provider"). The Index methodology was developed by the Index Provider based on the research and data licensed to the Index Provider by Caixin Rayliant Smart Beta, who provides data and research support regarding the Index to the Index Provider upon request. The Manager (and each of its Connected Persons) is independent of the Index Provider.

The Index is a total return index. A total return index calculates the performance of the index constituents on the basis that any dividends or distributions are reinvested. The Index is denominated and quoted in RMB.

As at 16 December 2019, it comprised 300 constituent stocks with float market capitalisation of approximately RMB391.43 billion.

The Index was launched on 23 December 2016 and had a base level of 1,000 on 30 June 2005.

Index methodology

The Index selects 300 stocks from companies listed on the SSE or the SZSE according to economic size, financial health, and low risk.

Eligible securities

The selection universe of the Index (the "Index Universe") includes all the A-Shares (each a "Stock") listed on the SSE or the SZSE satisfying the following conditions:

(a) The Stock has been listed for more than three months at the time it is considered for inclusion in the Index. If it has been listed for less than 3 months, it will be considered for inclusion in the Index Universe if its daily average total market value since its initial listing has ranked within the top 30 companies amongst all the A-Shares;

(b) The Stock is not designated for special treatment or potential delisting by any of the CSRC, the SSE or the SZSE as a result of continuous financial losses; and

(c) The Stock is not suspended from listing.

Investors should refer to further information below regarding the Index including the selection criteria.

Selection criteria

Based on the eligible constituents from the CSI All Share Index, the following steps are applied to select the Index constituents:

<u>Step 1</u>: Assign an economic size score to each stock in the universe and rank the stocks in accordance with this score in descending order. Select the top 800 stocks from this ranking.

The economic size score of each stock is calculated as the average of the stock's percentile rank of each of the following three aspects of the relevant stock (each based on the previous financial year): (1) total assets, (2) book value of shareholder's equity, and (3) revenue excluding government subsidies.

Step 2: Assign a financial health score to each of the selected 800 stocks and rank the stocks in accordance with this score in descending order. Select the top 550 stocks from this ranking.

The financial health score of each stock is calculated as the average of the stock's percentile rank of each of the following five indicators of the relevant stock (each based on the previous financial year): (1) debt coverage ratio, (2) cash ratio, (3) net profit margin, (4) negative accruals, and (5) negative net operating assets (NOA).

Step 3: Assign a low risk score to each of the selected 550 stocks and rank the stocks in accordance with this score in descending order. Select the top 300 stocks from this ranking.

The low risk score of each stock is calculated as the average of the stock's percentile rank of each of the following three aspects of the relevant stock (each based on the 12 months prior to the review date): (1) negative total volatility, (2) negative beta, and (3) negative downside risk.

The components of the low risk score are defined as follows:

Term	**Definition**
Total Volatility	The standard deviation of daily stock returns from May of the previous year to April of the current year. If data are not available over the entire period for a particular stock, all available data for that stock over this period are used.
Beta*	The slope coefficient from a regression of daily stock returns from May of the previous year to April of the current year against corresponding daily returns of the CSI All Share Index. If data are not available over the entire period for a particular stock, all available data for that stock over this period are used.
Downside Risk	The downside semi-variance of daily stock returns from May of the previous year to April of the current year. If data are not available over the entire period for a particular stock, all available data for that stock over this period are used.

* Beta is a measure of a stock's volatility in relation to the market. By definition, the market has a beta of 1.0. A stock with a beta above 1.0 is more volatile than the market, while a stock with a beta less than 1.0 is less volatile than the market. High-beta stocks are supposed to be riskier but provide a potential for higher returns, whereas low-beta stocks pose less risk but also lower returns.

Index calculation

The Index is weighted according to the following formula:

$$\text{Current Index} = \frac{\text{Current Total Adjusted Market Cap}}{\text{Divisor}} \times \text{Base Level},$$

where, taking N as the number of stocks in the portfolio:

$$\text{Total Adjusted Market Cap} = \sum_{i=1}^{N} \text{Price}_i \times \text{FreeFloatShares}_i \times \text{WeightFactor}_i,$$

where:

FreeFloatShares_i is the number of free float adjusted shares for stock i, defined and calculated in accordance with the standard practice of the CSI index family.

Price_i is the stock's most recent traded price.

WeightFactor_i is a value between 0 and 1 calculated at each rebalancing. Each constituent initially receives an equal weight. A gradient factor overlay based on the economic size score (as defined under "Selection Criteria" above) is then applied with an aggregate positive weight adjustment of 25% and an aggregate negative weight adjustment of 25%. The weight adjustment to each selected stock is proportional to its free float market capitalisation and the percentile rank of its economic size score. If any resulting weight is negative, such weight will be set to 0 and the rest of the portfolio weight is renormalised to 100%.

CSI publishes the real time Index level via its website at www.csindex.com.cn.

Index adjustments

Periodic review

The constituents of the index are updated and the index is rebalanced once per year, effective as of the next trading day after the second Friday in June. Each constituent is assigned a WeightFactor, effective on the same date, and remain unchanged until the next rebalancing date.

Ongoing review

In the event that the representativeness and investability of the Index are affected due to changes that take place between periodic reviews on rebalancing dates, CSI may review the constituent stocks immediately. Delisted stocks will be immediately deleted from the list of constituents. Constituents suspended for 3 months and have not resumed trading as of the relevant deadline will be considered for deletion based on the suspension reasons, and those suspended for close to 3 months will be referred to the pricing committee to decide whether they are to be considered for deletion. Constituents that had been suspended for 3 months but have resumed trading will remain in the Index provided that they meet the other eligibility requirements. Adjustments will also be made in response to certain corporate events, as necessary to maintain the representativeness and investability of the Index. For further details on these policies, please refer to the CSI Index Calculation and Maintenance Methodology.

If an adjustment is made to the constituents of the Index between periodic reviews, the inserted constituent will inherit the weight of the removed constituent as of the close of one trading day before the effective date of the addition. The WeightFactor of the newly added constituent will then be calculated based on its inherited weight.

Top 10 constituents of the Index

As at 25 March 2021, the 10 largest constituents of the Index (which accounted in aggregate for 20.80% of the Index) were as follows:

Rank	Constituent Name	Exchange	Weighting (%)
1.	Ping An Insurance (Group) Company of China Ltd	Shanghai	6.62
2.	China Merchants Bank Co Ltd	Shanghai	4.04
3.	Industrial Bank	Shanghai	1.93
4.	Industrial and Commercial Bank of China Ltd	Shanghai	1.90
5.	Midea Group CO., LTD	Shenzhen	1.19
6.	China Vanke Co Ltd	Shenzhen	1.15
7.	Ping An Bank Co., Ltd	Shenzhen	1.08
8.	Agricultural Bank of China Co Ltd	Shanghai	1.06
9.	China State Construction Engineering Co Ltd	Shanghai	0.94
10.	Bank of Communications Co Ltd	Shanghai	0.91

You can obtain the most updated list of the constituents of the Index and additional information of the Index from the website of CSI at www.csindex.com.cn.

Index Provider disclaimer

CSI Caixin Rayliant Bedrock Economy Index (the "Index") is calculated by China Securities Index Co., Ltd ("CSI"). All rights in the Index vest in CSI. All information is provided for information purposes only. CSI does not make any warranties, express or implied, to any of its customers or anyone else regarding the accuracy or completeness of any data related to the Index. CSI accepts no liability to any person for any errors of information or of the Index (whether due to negligence or otherwise) or for any loss arising from the use of information or the Index, 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 CSI and CSI shall not have any liability with respect thereto.

Index licence agreement

The initial term of the licence of the Index commenced on 18 April 2017 and should continue until 17 April 2022 on which date the licence should be renewed for successive terms of 3 year unless either party to the licence agreement serves a written notice of termination of at least 30 days prior to the end of the then current term to the other party. The licence agreement may otherwise be terminated in accordance with the provisions of the licence agreement.

Appendix dated 7 April 2021

APPENDIX 2: PREMIA CSI CAIXIN CHINA NEW ECONOMY ETF

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.

Index	CSI Caixin Rayliant New Economic Engine Index
Type of Index	Total return
Listing Date (SEHK)	24 October 2017
Exchange Listing	SEHK – Main Board
Stock Code	09173 – USD counter 03173 – HKD counter
Trading Board Lot Size	250 Units – USD counter 250 Units – HKD counter
Base Currency	Renminbi (RMB)
Trading Currency	Hong Kong dollars (HKD) United States dollars (USD)
Distribution Policy	The Manager intends to pay distributions to Unitholders at least annually (in July each year). All Units will receive distributions in the Base Currency (RMB) only.* Distributions may be made out of capital or effectively out of capital as well as income at the Manager's discretion. Where distributions are made out of capital or effectively out of capital, this may result in an immediate reduction in the Net Asset Value per Unit
Creation/Redemption Policy	Cash (RMB) only
Application Unit Size (only by or through Participating Dealers)	Minimum 500,000 Units (or multiples thereof)
Dealing Deadline	2:00 p.m. (Hong Kong time)
Management Fee	Currently 0.50% per year of the Net Asset Value
Investment Strategy	Representative sampling. Please refer to the section on "What is the investment strategy?" below
Maximum Deviation from Index Weighting	3%
Ongoing Charges Over a Year**	0.50%
Financial Year End	31 December
Listing Agent	Altus Capital Limited

Market Makers* **	SG Securities (Hong Kong) Limited
Participating Dealers* **	ABN AMRO Clearing Hong Kong Limited Canfield Securities Company Limited Cathay Securities (Hong Kong) Limited CCBI International Securities Limited China Merchants Securities (HK) Co., Limited Citigroup Global Markets Asia Limited GF Securities (Hong Kong) Brokerage Limited Goldman Sachs (Asia) Securities Limited Guotai Junan Securities (Hong Kong) Limited Haitong International Securities Company Limited KGI Asia Limited Merrill Lynch Far East Limited SG Securities (Hong Kong) Limited Yuanta Securities (Hong Kong) Company Limited
Service Agent	HK Conversion Agency Services Limited
Website	www.premia-partners.com

* *All Units will receive distributions in RMB only. In the event that the relevant Unitholder has no RMB account, the Unitholder may have to bear the fees and charges associated with the conversion of such dividend from RMB into HKD or any other currency. Unitholders are advised to check with their brokers regarding arrangements for distributions and to consider the risk factor entitled "Other currency distributions risk" below.*

** *As the Sub-Fund adopts a single management fee structure as described in "Fees and expenses" below, the ongoing charges of the Sub-Fund will be equal to the amount of the Management Fee which is a single management fee and is capped at a maximum of 0.50% of the average Net Asset Value of the Sub-Fund. Any ongoing expenses exceeding 0.50% of the average Net Asset Value of the Sub-Fund will be borne by the Manager and will not be charged to the Sub-Fund.*

*** *Please refer to the Manager's website for the latest lists of Market Makers and Participating Dealers for the Sub-Fund.*

What is the investment objective?

The investment objective of the Sub-Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the Index. There can be 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 an optimised representative sampling strategy by investing, directly or indirectly, in a representative sample of the Securities in the Index that collectively reflects the investment characteristics of the Index via the Stock Connect. The Sub-Fund may or may not hold all of the Securities that are included in the Index, and may hold Securities which are not included in the Index, provided that these collectively feature a high correlation with the Index. The Manager may invest up to 100% of the Net Asset Value of the

Sub-Fund through the Stock Connect. The Sub-Fund may invest substantially in the ChiNext market and/or stocks listed on the Small and Medium Enterprise Board of the SZSE ("SME Board").

The Sub-Fund may also invest in money market funds and in cash deposits for cash management purposes although such investments are not anticipated to exceed 5% of the Net Asset Value of the Sub-Fund.

Currently, the Manager has no intention to invest the Sub-Fund in any FDIs (including structured products or instruments) for hedging or non-hedging (i.e. investment) purposes, and will not enter into Securities Lending Transactions, repurchase or Reverse Repurchase Transactions and other similar over-the-counter transactions. The Manager will seek the prior approval of the SFC (to the extent required under applicable regulatory requirements) and provide at least one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) before the Manager engages in any such investments.

Prior approval of the SFC (to the extent required under applicable regulatory requirements) will be sought and not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) will be given to the Unitholders in the event the Manager wishes to adopt investment strategy other than representative sampling strategy.

The investment strategy of the Sub-Fund is subject to the investment and borrowing restrictions set out in Part 1 of this Prospectus.

Notwithstanding the investment and borrowing restrictions set out in Part 1 of this Prospectus, the Sub-Fund shall not invest in units or shares of other collective investment schemes.

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.

Fundamental multi-factor weighted index risks

The Index is a new fundamental multi-factor weighted index whereby constituents are selected and weighted based on certain quantitative investment factors. While the Index seeks to enhance return by focusing on such factors which may have historically outperformed the overall market, there can be no assurance that the Index will outperform the market at any time. It is possible that the Index may underperform capitalisation weighted indices or other benchmarks in some market environments, potentially for extended periods. The Index methodology of focusing on certain factors may lead to unintended portfolio concentration in, for example, specific industry sectors. The Sub-Fund by tracking the Index may also have relatively large holdings in companies with relatively smaller market capitalisation than it would have held if tracking a capitalisation weighted index. The Sub-Fund may be subject to higher concentration risk as a result and the Sub-Fund's returns may be adversely affected.

Risk associated with small-capitalisation/mid-capitalisation companies

The stock of small-capitalisation/mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

SME Board and ChiNext market risks

The Sub-Fund's investments in the SME Board and/or ChiNext board of the SZSE may result in significant losses for the Sub-Fund and its investors.

Higher fluctuation on stock prices: Listed companies on the SME Board and/or ChiNext board of the SZSE are usually of emerging nature with smaller operating scale. In particular, listed companies on ChiNext markets are subject to wider price fluctuation limits, and due to higher entry thresholds for investors may have limited liquidity, compared to other boards. Hence, they are subject to higher fluctuation in stock prices and liquidity and have higher risks and turnover ratios than companies listed on the main board of the SZSE.

Over-valuation risk: Stocks listed on SME Board and/or ChiNext may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

Differences in regulation: The rules and regulations regarding companies listed on the ChiNext market are less stringent in terms of profitability and share capital than those in the main board and SME Board.

Delisting risk: It may be more common and faster for companies listed on the SME Board and/or ChiNext market to delist. In particular, ChiNext market has stricter criteria for delisting compared to other boards. This may have an adverse impact on the Sub-Fund if the companies that it invests in are delisted.

Distributions out of or effectively out of capital risk

The Manager may, at its discretion make distributions out of capital. The Manager may also, at its discretion, make distributions out of gross income while all or part of the fees and expenses of the Sub-Fund are charged to/paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of distributions by the Sub-Fund and therefore, the Sub-Fund may effectively pay distributions out of the capital. 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 distributions involving payment of distributions out of or effectively out of the Sub-Fund's capital may result in an immediate reduction of the Net Asset Value per Unit. The Manager may amend its distribution policy subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) .

Other currency distributions risk

Investors should note that all Units will receive distributions in the Base Currency (RMB) only. In the event that the relevant Unitholder has no RMB account, the Unitholder may have to bear the fees and charges associated with the conversion of such distribution from RMB to HKD or any other currency. The Unitholder may also have to bear bank or financial institution fees and charges associated with the handling of the distribution payment. Unitholders are advised to check with their brokers regarding arrangements for distributions.

Trading hours differences risk

As the SSE and the SZSE may be open when Units in the Sub-Fund are not priced, the value of the Securities in the Sub-Fund's portfolio may change on days when investors will not be able to purchase or sell the Sub-Fund's Units. Furthermore, the market price of underlying Securities listed on the above stock exchanges which are established outside Hong Kong may not be available during part or all of the SEHK trading sessions due to trading hour differences which may result in the trading price of the Sub-Fund deviating away from the Net Asset Value. A-Shares may be subject to trading bands which restrict increases and decreases in the trading price. Units listed on the SEHK are not. The prices quoted by the SEHK market maker would therefore be adjusted to take into account any accrued market risk that arises from such unavailability of the Index level and as a result, the level of premium or discount of the Unit price of the Sub-Fund to its Net Asset Value may be higher.

The offering phases

Dealings in the Units on the SEHK commenced on 24 October 2017.

The current Dealing Deadline After Listing is 2:00 p.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager (with the approval of Trustee) may determine on any day when the trading hours of the SEHK, the SSE and/or the SZSE are reduced.

All Creation Applications must be made in cash (in RMB only). Settlement in cash for subscribing Units is due at the time specified in the Operating Guidelines on the relevant Dealing Day in accordance with the Operating Guidelines.

The attention of investors is drawn to the section entitled “The Offering Phases” in Part 1 of this Prospectus.

RMB payment procedures

Investors may, unless otherwise agreed by the relevant Participating Dealer, apply for Units through Participating Dealers only if they have sufficient RMB to pay the application monies and the related fees. Investors should note that RMB is the only official currency of the PRC. While both onshore RMB (“CNY”) and offshore RMB (“CNH”) are the same currency, they are traded in different and separated markets. Since the two RMB markets operate independently where the flow between them is highly restricted, CNY and CNH are traded at different rates and their movement may not be in the same direction. Although there is a significant amount of RMB held offshore (i.e. outside the PRC), CNH cannot be freely remitted into the PRC and is subject to certain restrictions, and vice versa. As such whilst CNH and CNY are both the same currency, certain special restrictions do apply to RMB outside the PRC. The liquidity and trading price of the Sub-Fund may be adversely affected by the limited availability of, and restrictions applicable to, RMB outside the PRC.

Application monies from Participating Dealers to the Sub-Fund will be paid in RMB only. Accordingly a Participating Dealer may require an investor (as its client) to pay RMB to it. Payment details will be set out in the relevant Participating Dealer’s documentation such as the application form for its clients. As such, an investor may need to have opened a bank account (for settlement) and a securities dealing account if a Participating Dealer is to subscribe for Units on behalf of the investor as it will need to have accumulated sufficient RMB to pay at least the aggregate Issue Price and related costs, to the Participating Dealer or if an application to the Participating Dealer is not successful or is successful only in part, the whole or appropriate portion of the monies paid will need to be returned to the investor by the Participating Dealer by crediting such amount into the investor’s RMB bank account. Similarly, if an investor wishes to buy and sell Units in the secondary market on the SEHK, the investor may need to open a securities dealing account with its broker. Each investor will need to check with the relevant Participating Dealer and/or its broker for payment details and account procedures.

If any investors wish to buy or sell Units on the secondary market, they should contact their brokers and they are advised to check with their brokers regarding arrangements for distributions in RMB. CCASS Investor Participants who receive distributions in RMB should make sure that they have set up an RMB designated bank account with CCASS.

Investors should consult the banks for the account opening procedures as well as terms and conditions of the RMB bank account. Some banks may impose restrictions on their RMB cheque account and fund transfers to third party accounts. For non-bank financial institutions (e.g. brokers), however, such restriction will not be applicable and investors should consult their brokers as to the currency exchange service arrangement, if required. Investors without RMB accounts should note that distributions are made in RMB only and as such may suffer a foreign exchange loss and incur fees and charges associated with the conversion of distributions from RMB to HKD or any other currency to receive their distributions.

The transaction costs of dealings in the Units on the SEHK include the SEHK trading fee and SFC transaction levy. All these secondary trading related fees and charges will be collected in HKD.

Investors should consult their own brokers or custodians as to how and in what currency the trading related fees and charges and brokerage commission should be paid by the investors.

Where payment in RMB is to be made by cheque investors are advised to consult the bank at which their respective RMB bank accounts are opened in advance whether there are any specific requirements in relation to the issue of RMB cheques. In particular, investors should note that some banks have imposed an internal limit (usually RMB80,000) on the balance of RMB cheque account of their clients or the amount of cheques that their clients can issue in a day and such limit may affect an investor's arrangement of funding for an application (through a Participating Dealer) for creation of Units.

When an individual investor opens an RMB bank account or settle RMB payments, he or she will be subject to a number of restrictions, including the daily maximum remittance amount to the PRC of RMB80,000, and a remittance service is only available to an RMB deposit account-holder who remits from his or her RMB deposit account to the PRC and provided that the account name of the account in the PRC is identical with that of the RMB bank account with the bank in Hong Kong.

Please also refer to the RMB related risk factors in the section on "Risk factors specific to the Sub-Fund" above for further details.

Multi-Counter

The Manager has arranged for the Units of the Sub-Fund to be available for trading on the secondary market on the SEHK under a Multi-Counter arrangement. Units are denominated in RMB. The Sub-Fund offers 2 trading counters on the SEHK (i.e. HKD counter and USD counter) to investors for secondary trading purposes. Units traded in HKD counter will be settled in HKD and Units traded in USD counter will be settled in USD. Apart from settlement in different currencies, the trading prices of Units in the counters may be different as the different counters are distinct and separate markets.

Units traded on each counters are of the same class and all Unitholders of all counters are treated equally. The counters will have different stock codes (as set out in the section "Key Information" above), different stock short names and different ISIN numbers.

Normally, investors can buy and sell Units traded in the same counter or alternatively buy in one counter and sell in the other counter provided their brokers provide HKD and USD trading services at the same time and offer inter-counter transfer services to support Multi-Counter trading. Inter-counter buy and sell is permissible even if the trades take places within the same trading day. However, investors should note that the trading price of 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, including inter-counter transfers. Investors' attention is also drawn to the risk factor above entitled "Risks Associated with Multi-Counter".

Exchange Listing and Trading (Secondary Market)

General

Units traded in HKD have been issued and listed on the SEHK.

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 Units on one or more other stock exchanges. Investors' attention is drawn to the section entitled "Exchange Listing and Trading (Secondary Market)" in Part 1 of this Prospectus for further information.

Dealings on the SEHK in Units traded in HKD began on 24 October 2017. Units are traded on the SEHK in board lots of 500 Units.

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

Redemptions

Units can be redeemed directly (through a Participating Dealer). Redemption proceeds shall be paid in RMB only, except that under exceptional circumstances, redemption proceeds may be paid in USD or HKD instead due to the exchange controls and restrictions applicable to RMB. Please refer the risk factor "Non-RMB or late settlement redemption risk" above for further information in this regard.

Distribution policy

The Manager intends to declare and distribute net dividends to Unitholders at least annually (in July each year). The Manager will make an announcement prior to any distribution in respect of the relevant distribution amount in RMB only. Distributions may be made out of capital as well as income at the Manager's discretion. The Manager may also, at its discretion, pay dividend out of gross income while all or part of the fees and expenses of the Sub-Fund are charged to/paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and therefore, the Sub-Fund may effectively pay dividend out of capital. The Manager may amend the policy with respect to distribution out of capital or effectively out of capital subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) to investors.

Each Unitholder will receive distributions in RMB only. Unitholders without RMB accounts may have to bear the fees and charges associated with the conversion of such dividend from RMB into HKD or any other currency. Unitholders are advised to check with their brokers regarding arrangements for distributions.

Distribution payment rates in respect of Units will depend on factors beyond the control of the Manager or Trustee including, general economic conditions, and the financial position and dividend or distribution policies of the relevant underlying entities. There can be no assurance that such entities will declare or pay dividends or distributions.

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 distributions involving payment out of or effectively out of the Sub-Fund's capital may result in an immediate reduction in the Net Asset Value per Unit.

The composition of distributions payable on Units (i.e. the relative amounts of distributions paid and the percentages of dividends out of (i) net distributable income and (ii) capital), if any, for the last 12 months are available from the Manager on request and are also published on the website www.premia-partners.com. The Manager may amend the Sub-Fund's distribution policy with respect to the distributions out of capital or effectively out of capital of the Sub-Fund subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements).

Fees and expenses

The Sub-Fund employs a single management fee structure, with the Sub-Fund paying all of its fees, costs and expenses (and its due proportion of any costs and expenses of the Trust allocated to it) as a single flat fee (the "Management Fee"). Fees and expenses taken into account in determining the Management Fee include, but are not limited to, the Manager's fee, Trustee's fee, Registrar's fees, fees of the Service Agent, fees and expenses of the auditors, securities transaction fee, ordinary out-of-pocket expenses incurred by the Manager or the Trustee and costs and expenses of licensing the Index. The Management Fee does not include brokerage and transaction costs, fees and extraordinary items such as litigation expenses.

The ongoing charges of the Sub-Fund is equal to the amount of the Management Fee which is capped at a maximum of 0.50% per year of the Net Asset Value of the Sub-Fund and is accrued daily and calculated as at each Dealing Day. It is payable out of the Sub-Fund monthly in arrears in RMB. Any increase or removal of the cap is subject to the prior approval of the SFC (to the extent required under applicable regulatory requirements) and one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) .

The Index

This section is a brief overview of the Index. It contains a summary of the principal features of the Index and is not a complete description of the Index. As of the date of this Prospectus, the summary of the Index in this section is accurate and consistent with the complete description of the Index. Complete information on the Index appears in the website identified below. Such information may change from time to time and details of the changes will appear on that website.

General information on the Index

The Index of the Sub-Fund is the CSI Caixin Rayliant New Economic Engine Index. The Index is a fundamental multi-factor weighted index which is designed to track the performance of the strongest, fastest-growing emerging A-Share companies in up-and-coming industries while offering investors exposure to factors that have delivered excess returns historically. Constituents are selected based on a combination of factors including market capitalisation, industry, ratio of non-fixed assets and financial health, and then weighted by factors measuring growth and liquidity.

The Index is compiled and published by China Securities Index Co., Ltd ("CSI" or the "Index Provider"). The Index methodology was developed by the Index Provider based on the research and data licensed to the Index Provider by Caixin Rayliant Smart Beta, who provides data and research support regarding the Index to the Index Provider upon request. The Manager (and each of its Connected Persons) is independent of the Index Provider.

The Index is a total return index. A total return index calculates the performance of the index constituents on the basis that any dividends or distributions are reinvested. The Index is denominated and quoted in RMB.

As at 16 December 2019, it comprised 300 constituent stocks with float market capitalisation of approximately RMB296.25 billion.

The Index was launched on 23 December 2016 and had a base level of 1,000 on 30 June 2013.

Index methodology

The Index selects 300 stocks from new economy industries from companies listed on the SSE or the SZSE according to industry, market capitalisation, percentage of non-fixed assets, and financial health.

Eligible securities

The selection universe of the Index (the "Index Universe") includes all the A-Shares (each a "Stock") listed on the SSE or the SZSE satisfying the following conditions:

(a) The Stock has been listed for more than three months at the time it is considered for inclusion in the Index. If it has been listed for less than 3 months, it will be considered for inclusion in the Index Universe if its daily average total market value since its initial listing has ranked within the top 30 companies amongst all the A-Shares;

(b) The Stock is not designated for special treatment or potential delisting by any of the CSRC, the SSE or the SZSE as a result of continuous financial losses; and

(c) The Stock is not suspended from listing.

Investors should refer to further information below regarding the Index including the selection criteria.

Selection criteria

Based on the eligible constituents from the CSI All Share Index, the following steps are applied to select the Index constituents:

Step 1: Rank the stocks in accordance with their total market capitalisation values (based on the 12 months prior to the review date) in descending order. Select the top 1,500 stocks from this ranking.

Step 2: From these 1,500 stocks, select all stocks with the following CSRC Secondary Industry Code as representing the new economy industries:

Industry	**CSRC Code***
Manufacturing (C)	C26, C27, C30, C34, C35, C36, C37, C38, C39, C40, C42
Utility (D)	D44, D46
Information Technology (I)	I63, I64, I65
Finance (J)	J69
Commercial Services (L)	L72
Research (M)	M73, M74
Environmental (N)	N77, N78
Entertainment (R)	R85, R86, R87, R88, R89

* The choice of classification codes (under the "Guidelines for the Industry Classifications of Listed Companies" issued by the CSRC) corresponds to industries identified by the Index provider's Investment Committee as representative of new economy sectors.

Step 3: Assign a non-fixed assets score to each of the selected stocks and rank the stocks in accordance with this score in descending order. Select the top 400 stocks from this ranking.

The non-fixed assets score of each stock is calculated as the stock's percentile rank of its non-fixed assets value scaled by total assets (based on the previous financial year).

Step 4: Assign a financial health score to each of the selected 400 stocks and rank the stocks in accordance with this score in descending order. Select the top 300 stocks from this ranking.

The financial health score of each stock is calculated as the average of the stock's percentile rank of each of the following five indicators of the relevant stock (each based on the previous financial year): (1) debt coverage ratio, (2) cash ratio, (3) net profit margin, (4) negative accruals, and (5) negative net operating assets (NOA).

Index calculation

The Index is weighted according to the following formula:

$$\text{Current Index} = \frac{\text{Current Total Adjusted Market Cap}}{\text{Divisor}} \times \text{Base Level},$$

where, taking *N* as the number of stocks in the portfolio:

$$\text{Total Adjusted Market Cap} = \sum_{i=1}^{N} \text{Price}_i \times \text{FreeFloatShares}_i \times \text{WeightFactor}_i,$$

where:

FreeFloatShares_i is the number of free float adjusted shares for stock *i*, defined and calculated in accordance with the standard practice of the CSI index family.

Price_i is the stock's most recent traded price.

WeightFactor_i is a value between 0 and 1 calculated at each rebalancing. Each constituent initially receives an equal weight. A gradient factor overlay based on a growth score and a gradient factor overlay based on a liquidity score (as defined below) is then applied with positive weight adjustments of 25% and negative weight adjustments of 25% for each overlay. The weight adjustment to each selected stock is proportional to its free float market capitalisation and the percentile rank of its growth and liquidity score. If any resulting weight is negative, such weight will be set to 0 and the rest of the portfolio weight is renormalised to 100%.

The growth score and the liquidity score are calculated as follows:

- The growth score is calculated as the average of the stock's percentile rank of each of the following five indicators of the relevant stock (each based on the previous financial year): (1) gross profitability, (2) operating profitability, (3) growth in total assets, (4) growth in book equity, and (5) research and development (R&D) expense.

- The liquidity score is calculated as the average of the stock's percentile rank of the following two indicators of the relevant stock (each based on the previous financial year): (1) daily average dollar trading volume and (2) daily average float-adjusted market capitalisation.

CSI publishes the real time Index level via its website at www.csindex.com.cn.

Index adjustments

Periodic review

The constituents of the index are updated and the index is rebalanced once per year, effective as of the next trading day after the second Friday in June. Each constituent is assigned a WeightFactor, effective on the same date, and remain unchanged until the next rebalancing date.

Ongoing review

In the event that the representativeness and investability of the Index are affected due to changes that take place between periodic reviews on rebalancing dates, CSI may review the constituent stocks immediately. Delisted stocks will be immediately deleted from the list of constituents. Constituents suspended for 3 months and have not resumed trading as of the relevant deadline will be considered for deletion based on the suspension reasons, and those suspended for close to 3 months will be referred to the pricing committee to decide whether they are to be considered for deletion. Constituents that had been suspended for 3 months but have resumed trading will remain in the Index provided that they meet the other eligibility requirements. Adjustments will also be made in response to certain corporate events, as necessary to maintain the representativeness and investability of the Index. For further details on these policies, please refer to the CSI Index Calculation and Maintenance Methodology.

If an adjustment is made to the constituents of the Index between periodic reviews, the inserted constituent will inherit the weight of the removed constituent as of the close of one trading day before the effective date of the addition. The WeightFactor of the newly added constituent will then be calculated based on its inherited weight.

Top 10 constituents of the Index

As at 25 March 2021, the 10 largest constituents of the Index (which accounted in aggregate for 36.44% of the Index) were as follows:

Rank	Constituent Name	Exchange	Weighting (%)
1.	Jiangsu Hengrui Medicine Co Ltd	Shanghai	6.80
2.	Gree Electric Appliances, Inc. of Zhuhai	Shenzhen	5.14
3.	Longi Green Energy Technology Co., Ltd.	Shanghai	4.27
4.	Contemporary Amperex Technology Co., Limited	Shenzhen	4.27
5.	Shenzhen Mindray Bio-Medical Electronics Co., Ltd.	Shenzhen	4.06
6.	Midea Group CO., LTD	Shenzhen	3.72
7.	China Tourism Group Duty Free	Shanghai	2.56

	Corporation Limited		
8.	Chang Chun High and New Technology Industry (Group) Inc.	Shenzhen	2.09
9.	Anhui Conch Cement Co Ltd.	Shanghai	1.96
10.	Beijing Yuanliu Hongyuan Electronic Technology Co., Ltd.	Shanghai	1.58

You can obtain the most updated list of the constituents of the Index and additional information of the Index from the website of CSI at www.csindex.com.cn.

Index Provider disclaimer

CSI Caixin Rayliant New Economic Engine Index (the "Index") is calculated by China Securities Index Co., Ltd ("CSI"). All rights in the Index vest in CSI. All information is provided for information purposes only. CSI does not make any warranties, express or implied, to any of its customers or anyone else regarding the accuracy or completeness of any data related to the Index. CSI accepts no liability to any person for any errors of information or of the Index (whether due to negligence or otherwise) or for any loss arising from the use of information or the Index, 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 CSI and CSI shall not have any liability with respect thereto.

Index licence agreement

The initial term of the licence of the Index commenced on 18 April 2017 and should continue until 17 April 2022 on which date the licence should be renewed for successive terms of 3 year unless either party to the licence agreement serves a written notice of termination of at least 30 days prior to the end of the then current term to the other party. The licence agreement may otherwise be terminated in accordance with the provisions of the licence agreement.

Appendix dated 31 December 2019

APPENDIX 3: PREMIA ASIA INNOVATIVE TECHNOLOGY ETF

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.

Index	Premia FactSet Asia Innovative Technology Index
Type of Index	Net Total Return
Initial Issue Date	3 August 2018 (the Business Day immediately before the Listing Date)
Listing Date (SEHK)	6 August 2018
Issue Price during the Initial Offer Period	USD10
Exchange Listing	SEHK – Main Board
Stock Code	09181 – USD counter 03181 – HKD counter
Trading Board Lot Size	50 Units – USD counter 50 Units – HKD counter
Base Currency	United States dollars (USD)
Trading Currency	United States dollars (USD) Hong Kong dollars (HKD)
Distribution Policy	The Manager intends to pay distributions to Unitholders at least annually (in July each year). All Units will receive distributions in the Base Currency (USD) only.* Distributions may be made out of capital or effectively out of capital as well as income at the Manager's discretion. Where distributions are made out of capital or effectively out of capital, this may result in an immediate reduction in the Net Asset Value per Unit
Creation/Redemption Policy	Cash (USD) only
Application Unit Size (only by or through Participating Dealers)	Minimum 50,000 Units (or multiples thereof)
Dealing Deadline	11:00 a.m. (Hong Kong time) on the relevant Dealing Day
Management Fee	Currently 0.50% per year of the Net Asset Value
Investment Strategy	Representative sampling. Please refer to the section on "What is the investment strategy?" below

Maximum Deviation from Index Weighting	3%
Ongoing Charges Over a Year**	Estimated to be 0.50%
Financial Year End	31 December
Listing Agent	Altus Capital Limited
Market Makers (USD Counter)	Flow Traders Hong Kong Limited
Market Makers (HKD Counter)	Flow Traders Hong Kong Limited
Participating Dealers	ABN AMRO Clearing Hong Kong Limited Canfield Securities Company Limited Cathay Securities (Hong Kong) Limited CCBI International Securities Limited China Merchants Securities (HK) Co., Limited Citigroup Global Markets Asia Limited GF Securities (Hong Kong) Brokerage Limited Goldman Sachs (Asia) Securities Limited Guotai Junan Securities (Hong Kong) Limited Haitong International Securities Company Limited KGI Asia Limited Merrill Lynch Far East Limited SG Securities (Hong Kong) Limited Yuanta Securities (Hong Kong) Company Limited
Service Agent	HK Conversion Agency Services Limited
Website	www.premia-partners.com

* *All Units will receive distributions in USD only. In the event that the relevant Unitholder has no USD account, the Unitholder may have to bear the fees and charges associated with the conversion of such dividend from USD into HKD or any other currency. Unitholders are advised to check with their brokers regarding arrangements for distributions and to consider the risk factor entitled "Other currency distributions risk" below.*

** *As the Sub-Fund is newly set up, this figure is a best estimate only and represents the sum of the estimated ongoing charges expressed as a percentage of the estimated average Net Asset Value. It may be different upon actual operation of the Sub-Fund and may vary from year to year. The estimated ongoing charges do not represent the estimated tracking error. As the Sub-Fund adopts a single management fee structure as described in "Fees and expenses" below, the estimated ongoing charges of the Sub-Fund will be equal to the amount of the Management Fee which is a single management fee and is capped at a maximum of 0.50% of the average Net Asset Value of the Sub-Fund. Any ongoing expenses exceeding 0.50% of the average Net Asset Value of the Sub-Fund will be borne by the Manager and will not be charged to the Sub-Fund.*

What is the investment objective?

The investment objective of the Sub-Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the Index. There can be 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 an optimised representative sampling strategy by investing, directly or indirectly, in a representative sample of the Securities in the Index that collectively reflects the investment characteristics of the Index. The Sub-Fund may or may not hold all of the Securities that are included in the Index, and may hold Securities which are not included in the Index, provided that these collectively feature a high correlation with the Index.

The Sub-Fund may invest up to 100% of its Net Asset Value directly in equity securities in the Asian markets, including the following China-related securities: A-Shares through Stock Connect and B-Shares (including stocks in the ChiNext market of the SZSE), H-Shares, N-Shares, P-Chips and Red Chips. The Sub-Fund may also invest in Securities listed on other stock exchanges eligible for inclusion in the Index, including depositary receipts.

The Sub-Fund may also invest in money market funds and in cash deposits for cash management purposes although such investments are not anticipated to exceed 5% of the Net Asset Value of the Sub-Fund.

Currently, the Manager has no intention to invest the Sub-Fund in any physical commodities or FDIs (including structured products or instruments) for hedging or non-hedging (i.e. investment) purposes, and will not enter into Securities Lending Transactions, repurchase or Reverse Repurchase Transactions and other similar over-the-counter transactions. The Manager will seek the prior approval of the SFC (to the extent required under applicable regulatory requirements) and provide at least one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) before the Manager engages in any such investments.

Prior approval of the SFC (to the extent required under applicable regulatory requirements) will be sought and not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) will be given to the Unitholders in the event the Manager wishes to adopt an investment strategy other than a representative sampling strategy.

The investment strategy of the Sub-Fund is subject to the investment and borrowing restrictions set out in Part 1 of this Prospectus.

Notwithstanding the investment and borrowing restrictions set out in Part 1 of this Prospectus, the Sub-Fund shall not invest in units or shares of other collective investment schemes.

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.

Emerging markets risk

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

Technology sector and concentration risk

Due to the concentration of the Index in the technology sector, which is characterised by relatively higher volatility in price performance when compared to other economic sectors, the performance of the Index may be more volatile when compared to other broad-based stock indices. The price volatility of the Sub-Fund may be greater than the price volatility of exchange traded funds tracking more broad-based indices.

The Securities of the companies in the technology sector are likely to be affected by world-wide scientific or technological developments, and the products or services of such companies may rapidly fall into obsolescence. In addition, some of these companies offer products or services that are subject to governmental regulation and may, therefore, be adversely affected by change in governmental policies. In addition, technology companies are heavily dependent on patent and intellectual property rights, the loss or impairment of which may adversely affect profitability. Additionally, companies in the technology sector may face dramatic and often unpredictable changes in growth rates and competition for the services of qualified personnel. All of these may have an adverse impact on the value of the Sub-Fund's investments.

Software, internet and related services industries risks

Many of the companies in the software, internet and related services industries have a relatively short operating history. Rapid changes could render obsolete the products and services offered by the companies in which the Sub-Fund invests and cause severe or complete declines in the prices of the securities of those companies. Additionally, companies in these sectors may face dramatic and often unpredictable changes in growth rates and competition for the services of qualified personnel. Any errors or vulnerabilities that may be discovered in the code of an internet company after release may adversely affect the business and operating results of such company. If the Sub-Fund invests in any of these companies, its investment may be adversely affected.

There may be substantial government intervention in the internet industry, including restrictions on investment in internet companies if such companies are deemed sensitive to relevant national interests. Some governments in the world have sought, and may in the future seek, to censor content available through internet, restrict access to products and services offered by internet companies that the Sub-Fund invests in from their country entirely or impose other restrictions that may affect the accessibility of such products and services for an extended period of time or indefinitely. In the event that access to the internet products and services is restricted, in whole or in part, in one or more countries, the ability of such internet companies to retain or increase their user base and user engagement may be adversely affected, and their operating results may be harmed. This may in turn affect the value of investment of the Sub-Fund.

The internet business is subject to complex laws and regulations including privacy, data protection, content regulation, intellectual property, competition, protection of minors, consumer protection and taxation. These laws and regulations are subject to change and uncertain interpretation, and could result in claims, changes to the business practices, monetary penalties, increased cost of operations or declines in user growth, user engagement or advertisement engagement, or otherwise harm the internet business. They may also delay or impede the development of new products and services. Compliance with these existing and new laws and regulations can be costly and may require significant time and attention of management and technical personnel. All these may have impact on the business and/or profitability of the internet companies in which the Sub-Fund invests and this may in turn adversely affect the value of investment of the Sub-Fund.

Consumption sector risk

The performance of companies active in the consumer sector are correlated to the growth rate of the Asian consumer market, individual income levels and their impact on levels of domestic consumer spending in the Asian markets, which in turn depend on the worldwide economic conditions, which have recently deteriorated significantly in many countries and regions and may remain depressed for the foreseeable future. These companies may also be subject to government regulation affection production methods, which may have an adverse impact on their operating results and profit margin. This may in turn adversely affect the value of investment of the Sub-Fund.

There are many factors affecting the level of consumer spending, including but not limited to interest rates, currency exchange rates, economic growth rate, inflation, deflation, political uncertainty, taxation, stock market performance, unemployment level and general consumer confidence. There can be no assurance that historical growth rates of the Asian economy and the consumer market will continue. Any future slowdowns or declines in the economy or consumer spending may materially and adversely affect the business of the companies in the consumer sector and as a result the performance of the Sub-Fund.

Financial sector risk

Companies in the financial sector are subject to extensive governmental regulation, which may adversely affect the scope of their activities, the prices they can charge and the amount of capital they must maintain. Governmental regulation may change frequently. The financial services sector is exposed to risks that may impact on the value of investments in the financial services sector more severely than investments outside this sector, including operating with substantial financial leverage. The financial services sector may also be adversely affected by increases in interest rates and loan losses, decreases in the availability of money or asset valuations and adverse conditions in other related markets.

Industrial sector risk

Companies in the industrials sector will be adversely affected by imposition of import controls, increased competition, depletion of resources, strained labour relations, negative changes in government regulation, environmental damage claims, commodity price volatility, changes in interest rates, world events and economic conditions.

Healthcare sector risk

The economic prospects of the healthcare sector are generally subject to greater influences from governmental policies and regulations than those of many other industries. Certain healthcare companies may allocate greater than usual financial resources to research and product development and experience above-average price movements associated with the perceived prospects of success of the research and development programs. In addition, certain health care companies may be adversely affected by lack of commercial acceptance of a new product or process or by technological change and obsolescence.

Asian markets suspension of trading risk

Some Asian stock exchanges may have the right to suspend or limit trading in any security traded on the relevant exchange. The government or the regulators may also implement policies that may affect the financial markets.

Foreign investments restrictions risks

Some Asian countries prohibit or restrict foreign investment, or the repatriation of income, capital or the proceeds from sale of Securities. The Sub-Fund may incur higher costs investing in these countries. These restrictions may limit the Sub-Fund’s ability to invest in these countries, delay the investment or repatriation of capital of the Sub-Fund and impact the Sub-Fund’s ability to track the performance of the Index

Risks associated with N-Shares

N-Shares are securities of companies with business operations in PRC and listed on a US stock exchange, such as The New York Stock Exchange, NASDAQ or the American Stock Exchange. Because companies issuing N-Shares often have business operations in PRC, they are subject to certain political and economic risks in the PRC. The American stock market may behave very differently from the PRC stock market, and there may be little to no correlation between the performance of the two.

Risks associated with P-Chips

P-Chips means shares of Chinese companies listed on the SEHK and traded in HKD which are incorporated in the Cayman Islands, Bermuda and the British Virgin Islands with a majority of their business operations in China and controlled by private Chinese shareholders. These companies are often run by the private sector and have a majority of their business operations in the PRC. P-Chips are traded in Hong Kong Dollars on the SEHK, and may also be traded by foreigners. Because they are traded on the SEHK, P-Chips are also subject to risks similar to those associated with investments in H-Shares. They are also subject to risks affecting their jurisdiction of incorporation, including any legal or tax changes.

Risks associated with Red Chips

Red Chips means shares of companies incorporated outside of China with a majority of their business operations in China and, traded on the SEHK in Hong Kong Dollars. Red Chip companies are controlled, either directly or indirectly, by the central, provincial or municipal governments of the PRC. Red Chip shares are traded in Hong Kong Dollars on the SEHK and may also be traded by foreigners. Because Red Chip companies are controlled by various PRC governmental authorities, investing in Red Chips involves risks that political changes, social instability, regulatory uncertainty, adverse diplomatic developments, asset expropriation or nationalisation, or confiscatory taxation could adversely affect the performance of Red Chip companies. Red Chip companies may be less efficiently run and less profitable than other companies.

Risks associated with depositary receipts

Exposure to depositary receipts including American Depository Receipts (“ADRs”) may generate additional risks compared to a direct exposure to the corresponding underlying stocks, in particular, the risk of non-segregation under applicable law of the depositary bank who hold the underlying stock as collateral and its own assets. In case of bankruptcy of the depositary bank, there could be a risk that the underlying shares would not be attributed to holders of depositary receipts, although segregation is an integral part of the depositary agreement regulating the issuance of the ADRs. In such case, the most likely scenario would be the trading suspension and thereafter a freeze of the price of the depositary receipts impacted by such bankruptcy event. Bankruptcy events in respect of the depositary banks issuing the depositary receipts may negatively affect the performance and/or the liquidity of the Sub-Fund. There are fees related to depositary receipts, for example fees charged by banks for the custody of underlying assets of depositary receipts, which may impact the performance of the depositary receipts. Also, holders of depositary receipts are not direct shareholders of the underlying company and generally do not have voting and other shareholder rights as shareholders do. The Sub-Fund may also be subject to liquidity risk as depositary receipts are often less liquid than the corresponding underlying stocks.

Risk associated with small-capitalisation/mid-capitalisation companies

The stock of small-capitalisation/mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

ChiNext market risks

The Sub-Fund's investments in the ChiNext market of the SZSE may result in significant losses for the Sub-Fund and its investors.

<u>Higher fluctuation on stock prices:</u> Listed companies on the ChiNext board of the SZSE are usually of emerging nature with smaller operating scale. In particular, listed companies on ChiNext market are subject to wider price fluctuation limits, and due to higher entry thresholds for investors may have limited liquidity, compared to other boards. Hence, they are subject to higher fluctuation in stock prices and liquidity and have higher risks and turnover ratios than companies listed on the main board of the SZSE.

<u>Over-valuation risk:</u> Stocks listed on the ChiNext may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

<u>Differences in regulation:</u> The rules and regulations regarding companies listed on the ChiNext market are less stringent in terms of profitability and share capital than those in the main board and SME Board.

<u>Delisting risk:</u> It may be more common and faster for companies listed on the ChiNext market to delist. In particular, ChiNext market has stricter criteria for delisting compared to other boards. This may have an adverse impact on the Sub-Fund if the companies that it invests in are delisted.

Risks associated with equal weighted index

The Index is an equal weighted index whereby all constituents will have the same weighting at each rebalancing. Compared to a fund tracking a capitalisation weighted index, the Sub-Fund may have relatively large holdings in Securities of companies with relatively smaller market capitalisation, and companies of smaller capitalisation may therefore have a relatively larger influence on the performance of the Index and thereby the Sub-Fund.

Risk of potential conflict of interests among the Manager, Index Provider and Index Calculation Agent

FactSet Research Systems Inc. ("FactSet") is the Index Provider of the Sub-Fund which holds the intellectual property rights of and the right to licence the use of the Index. FactSet developed the Index methodology in collaboration with the Manager. S&P Opco, LLC, the Index Calculation Agent, is responsible for the operation, calculation, maintenance, publication and record keeping in respect of the Index pursuant to a custom index agreement with FactSet (the "Custom Index Agreement").

Nonetheless, the Manager does not consider there to be concerns for conflict of interests among the parties for the following reasons:

(a) The Manager's role in respect of the Index was limited to the development of the Index methodology before the launch of the Index, which only involved contribution of ideas and did not involve any research work. The Manager is not involved in the operation, calculation and maintenance of the Index, nor is it involved in Index rebalancing or in the determination of Index constituents. The Index Calculation Agent has sole discretion to calculate and maintain the Index.

(b) The Manager, the Index Provider and the Index Calculation Agent are separate entities and are not affiliated with one another.

(c) Each party operates independently of one another and there are no common directors among the parties. There is no information flow in respect of the operation and calculation of the Index among the parties, apart from the supply of necessary data for calculation of the Index to the Index Calculation Agent by the Index Provider and the dissemination of Index data by the Index Calculation Agent. This is also reinforced by internal policies and procedure (as detailed below) of the Manager.

(d) As indicated in the section on “Index Methodology” above, the Index has clear and transparent methodology and rules which are well documented by which the Index is calculated.

Examples of internal policies and procedures adopted by the Manager to address the potential conflict of interests include:

(i) All business transactions carried out by the Manager are on arm’s length and approved by the management of the Manager to ensure the best interests of investors are protected.

(ii) All employees are responsible for identifying and managing potential conflict of interests on an ongoing basis and shall not offer or accept any inducement that may give rise to potential conflict of interests. They should disclose and escalate any potential conflict to the management or compliance function of the Manager, in particular when dealing with the Index Provider and Index Calculation Agent.

(iii) The senior management and compliance function of the Manager are responsible for overseeing the identification, documentation, escalation and management of potential conflicts of interests. The Manager shall not proceed with any transaction that may be prejudicial to the interests of investors.

(iv) The Manager will organise training sessions on the identification and handling of potential conflict of interests and any relevant updates for its employees to ensure and maintain competency of its employees in their respective roles.

Risk of reliance on the Index Calculation Agent

Pursuant to the Custom Index Agreement with the Index Provider, the Index Calculation Agent agrees to calculate and maintain the Index. In addition, to ensure sufficient expertise in operating the Index, the Index Provider also relies on the Index Calculation Agent to provide continuous ongoing support in terms of index expertise to the Index Provider.

If the Index Calculation Agent ceases to provide such ongoing support to the Index Provider or ceases acting as index calculation agent in respect of the Index (whether as a result of the early termination of the Custom Index Agreement or otherwise), the Index Provider may not be able to immediately find a successor index calculation agent with the requisite expertise or resources and any new appointment may not be on equivalent terms or of similar quality. There is a risk that the operations and publication of the Index may be disrupted which may adversely affect the operations and performance of the Sub-Fund.

However, this risk is minimised as the Index Provider maintains a list of candidates who are eligible to act as the index calculation agent for the Index. The Index Provider has, through a thorough review of their capabilities and operational experience, selected these potential replacement index calculation agents, who are then approved by Index Provider’s index oversight committee. Moreover, these potential replacement index calculation agents have existing agreements with the Index Provider which will help ensure a smooth transition of the role of the Index Calculation Agent.

Distributions out of or effectively out of capital risk

The Manager may, at its discretion make distributions out of capital. The Manager may also, at its discretion, make distributions out of gross income while all or part of the fees and expenses of the Sub-Fund are charged to/paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of distributions by the Sub-Fund and therefore, the Sub-Fund may effectively pay distributions out of the capital. 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 distributions involving payment of distributions out of or effectively out of the Sub-Fund’s capital may result in an immediate reduction of the Net Asset Value per Unit. The Manager may amend its distribution policy subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements).

Other currency distributions risk

Investors should note that all Units will receive distributions in the Base Currency (USD) only. In the event that the relevant Unitholder has no USD account, the Unitholder may have to bear the fees and charges associated with the conversion of such distribution from USD to HKD or any other currency. The Unitholder may also have to bear bank or financial institution fees and charges associated with the handling of the distribution payment. Unitholders are advised to check with their brokers regarding arrangements for distributions.

Trading hours differences risk

As the stock exchanges on which the Index constituents are listed may be open when Units in the Sub-Fund are not priced, the value of the Securities in the Sub-Fund's portfolio may change on days when investors will not be able to purchase or sell the Sub-Fund's Units. Furthermore, the market price of underlying Securities listed on the above stock exchanges which are established outside Hong Kong may not be available during part or all of the SEHK trading sessions due to trading hour differences which may result in the trading price of the Sub-Fund deviating away from the Net Asset Value. Shares listed on certain stock exchanges may be subject to trading bands which restrict increases and decreases in the trading price. Units listed on the SEHK are not. The prices quoted by the SEHK market maker would therefore be adjusted to take into account any accrued market risk that arises from such unavailability of the Index level and as a result, the level of premium or discount of the Unit price of the Sub-Fund to its Net Asset Value may be higher.

The offering phases

Dealings in the Units on the SEHK commenced on 6 August 2018.

The current Dealing Deadline After Listing is 11:00 a.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager (with the approval of Trustee) may determine on any day when the trading hours of the SEHK are reduced.

All Creation Applications must be made in cash (in USD only). Settlement in cash for subscribing Units is due at the time specified in the Operating Guidelines on the relevant Dealing Day in accordance with the Operating Guidelines.

The attention of investors is drawn to the section entitled "The Offering Phases" in Part 1 of this Prospectus.

Multi-Counter

The Manager has arranged for the Units of the Sub-Fund to be available for trading on the secondary market on the SEHK under a Multi-Counter arrangement. Units are denominated in USD. The Sub-Fund offers 2 trading counters on the SEHK (i.e. HKD counter and USD counter) to investors for secondary trading purposes. Units traded in HKD counter will be settled in HKD and Units traded in USD counter will be settled in USD. Apart from settlement in different currencies, the trading prices of Units in the counters may be different as the different counters are distinct and separate markets.

Units traded on each counters are of the same class and all Unitholders of all counters are treated equally. The counters will have different stock codes (as set out in the section "Key Information" above), different stock short names and different ISIN numbers.

Normally, investors can buy and sell Units traded in the same counter or alternatively buy in one counter and sell in the other counter provided their brokers provide HKD and USD trading services at the same time and offer inter-counter transfer services to support Multi-Counter trading. Inter-counter buy and sell is permissible even if the trades take places within the same trading day. However, investors should note that the trading price of 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, including inter-counter transfers. Investors' attention is also drawn to the risk factor above entitled "Risks Associated with Multi-Counter".

Exchange Listing and Trading (Secondary Market)

General

Units traded in HKD and USD have been issued and listed on the SEHK.

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 Units on one or more other stock exchanges. Investors' attention is drawn to the section entitled "Exchange Listing and Trading (Secondary Market)" in Part 1 of this Prospectus for further information.

Dealings on the SEHK in Units traded in HKD and USD began on 6 August 2018. Units are traded on the SEHK in board lots of 50 Units.

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

Redemptions

Units can be redeemed directly (through a Participating Dealer). Redemption proceeds shall be paid in USD only, notwithstanding a Multi-counter being adopted for the Sub-Fund.

Distribution policy

The Manager intends to declare and distribute net dividends to Unitholders at least annually (in July each year). The Manager will make an announcement prior to any distribution in respect of the relevant distribution amount in USD only. Distributions may be made out of capital as well as income at the Manager's discretion. The Manager may also, at its discretion, pay dividend out of gross income while all or part of the fees and expenses of the Sub-Fund are charged to/paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and therefore, the Sub-Fund may effectively pay dividend out of capital. The Manager may amend the policy with respect to distribution out of capital or effectively out of capital subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) to investors.

Each Unitholder will receive distributions in USD only. Unitholders without USD accounts may have to bear the fees and charges associated with the conversion of such dividend from USD into HKD or any other currency. Unitholders are advised to check with their brokers regarding arrangements for distributions.

Distribution payment rates in respect of Units will depend on factors beyond the control of the Manager or Trustee including, general economic conditions, and the financial position and dividend or distribution policies of the relevant underlying entities. There can be no assurance that such entities will declare or pay dividends or distributions.

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 distributions involving payment out of or effectively out of the Sub-Fund's capital may result in an immediate reduction in the Net Asset Value per Unit.

The composition of distributions payable on Units (i.e. the relative amounts of distributions paid and the percentages of dividends out of (i) net distributable income and (ii) capital), if any, for the last 12 months are available from the Manager on request and are also published on the website www.premia-partners.com. The Manager may amend the Sub-Fund's distribution policy with respect to the distributions out of capital or effectively out of capital of the Sub-Fund subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) .

Fees and expenses

The Sub-Fund employs a single management fee structure, with the Sub-Fund paying all of its fees, costs and expenses (and its due proportion of any costs and expenses of the Trust allocated to it) as a single flat fee (the "Management Fee"). Fees and expenses taken into account in determining the Management Fee include, but are not limited to, the Manager's fee, Trustee's fee, Registrar's fees, fees of the Service Agent, fees and expenses of the auditors, securities transaction fee, ordinary out-of-pocket expenses incurred by the Manager or the Trustee and costs and expenses of licensing the Index. The Management Fee does not include brokerage and transaction costs, fees and extraordinary items such as litigation expenses.

The ongoing charges of the Sub-Fund is equal to the amount of the Management Fee which is capped at a maximum of 0.50% per year of the Net Asset Value of the Sub-Fund and is accrued daily and calculated as at each Dealing Day. It is payable out of the Sub-Fund monthly in arrears in USD. Any increase or removal of the cap is subject to the prior approval of the SFC (to the extent required under applicable regulatory requirements) and one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) .

The Index

This section is a brief overview of the Index. It contains a summary of the principal features of the Index and is not a complete description of the Index. As of the date of this Prospectus, the summary of the Index in this section is accurate and consistent with the complete description of the Index. Complete information on the Index appears in the website identified below. Such information may change from time to time and details of the changes will appear on that website.

General information on the Index

The Index of the Sub-Fund is the Premia FactSet Asia Innovative Technology Index. The Index is an equal weighted index which is designed to track the performance of companies engaged in emerging and disruptive technologies, products, and markets across multiple sectors, including consumer, finance, industrials, healthcare, and technology. These companies are characterised by high projected future revenue growth, consistent investment in research and development, or a combination of the aforementioned.

The Index methodology was developed by FactSet Research Systems Inc ("FactSet" or the "Index Provider") in collaboration with the Manager. The Manager (and each of its Connected Persons) is independent of the Index Provider. FactSet holds the intellectual property rights of and the right to licence the use of the Index.

S&P Opco, LLC (the "Index Calculation Agent"), a subsidiary of S&P Dow Jones Indices LLC, is responsible for the operation, calculation, maintenance, publication and record keeping in respect of the Index pursuant to a custom index agreement with FactSet. FactSet is responsible for validating any changes to the Index constituents to ensure that any such changes are compliant with the screening criteria in the Index methodology. In the case that there are any issues with the construction, calculation, maintenance and review of the methodology or rules of the Index or any issues relating to the Index generally, the Index Calculation Agent will provide its expertise to FactSet to resolve any such issues.

The Manager's role in respect of the Index was limited to the development of the Index methodology before the launch of the Index. The Manager is not involved in the operation, calculation and maintenance of the Index. The Index Calculation Agent has sole discretion to calculate and maintain the Index.

The Index is a net total return index. A net total return index calculates the performance of the index constituents on the basis that any dividends or distributions are reinvested after the deduction of any withholding taxes that may apply. The Index is denominated and quoted in USD.

As at 16 December 2019, it comprised 50 constituent stocks with float market capitalisation of approximately USD2,023.84 billion.

The Index was launched on 8 June 2018 with a base level of 100.

Index methodology

Eligible securities

The selection universe of the Index (the "Index Universe") includes all common stocks listed on any of the following stock exchanges:

- Bombay Stock Exchange;
- Bursa Malaysia;
- Hong Kong Stock Exchange;
- Indonesia Stock Exchange;
- JASDAQ;
- Korea Stock Exchange;
- Philippine Stock Exchange;
- Shanghai Stock Exchange;
- Shenzhen Stock Exchange;
- Singapore Exchange;
- Stock Exchange of Thailand;
- Taiwan Stock Exchange;
- Tokyo Stock Exchange;
- New York Stock Exchange*; and
- NASDAQ*.

** Only eligible if the company is headquartered or incorporated in Asia.*

Selection criteria

The following steps are applied to select the Index constituents:

Step 1: Select securities that fulfil all of the following criteria from the Index Universe:

1. Stocks having a minimum float-adjusted market capitalisation of USD1 billion or above, and a 3-month Average Daily Trading Value ("ADTV") of USD2 million or above on the selection day. The length of time to evaluate the aforementioned liquidity criteria shall be reduced to the available trading period for IPOs and spin-off companies that do not have

a 3-month trading history. Existing constituents may remain in the Index if they have a minimum float-adjusted market capitalisation of USD750 million or above, and a three-month ADTV of USD1.5 million or above on the selection day;

2. The companies are classified as being focused on, or having derived 20% or more of their aggregated revenues from one or more of the 132 innovative technology industries as defined by the FactSet Revere Business & Industry Classification System (RBICS) at Level 6. Existing constituents may remain in the Index if they derived 15% or more of their aggregated revenues from one or more of the 132 aforementioned innovative technology industries. The attribution of a company's revenue to different business segments is made possible by the multi-sector taxonomy and granularity of RBICS and FactSet Revere Hierarchy with Revenue, a suite of data analytics solutions developed by FactSet; and

3. The companies meet either one of the following conditions:

   (a) 3-year average annual research and development ("R&D") expense-to-revenue ratio > 5% (if the company has less than 3 years of R&D expense data, then the 2-year average would be used, and if the company has less than 2 years of R&D expense data, then the most recent fiscal year's R&D expense-to-revenue ratio would be used); or

   (b) 1-year revenue growth forecast > 10% (calculated by using the mean analyst 1-year forward revenue forecast divided by the most recent fiscal year's revenue).

Step 2: Where a company has multiple share classes, select the most liquid issue based on the highest 3-month ADTV on the selection day.

Step 3: Rank the selected stock in descending order by float adjusted market capitalisation. The top 50 Securities will be selected as constituents of the Index. For annual reconstitution, the top 40 Securities will be selected as constituents of the Index. Existing constituents which are ranked between 41 and 70 will be used to complete the top 50 list before newly eligible companies are considered.

Index calculation

Each constituent of the Index will be weighted equally.

The Index value is calculated using the official close prices from the primary listing market or exchange for each constituent. If trading in a constituent stock is suspended prior to the market opening, the stock's adjusted closing price from the previous day will be used in the Index calculation until trading recommences. If trading in a stock is suspended while the relevant market is open, the official closing price published by the respective exchange for that stock will be used for all subsequent Index calculations until trading resumes.

The Index value of the net total return index is calculated by adjusting the value of the total return index given by the following formula to account for the effect of withholding tax on dividends (by adjusting for dividend taken out due to tax payment):

$$\boldsymbol{TI_{(t)} = TI_{(t-1)} \times (1 + IR_{(t)})}$$

where:

$\boldsymbol{TI}_{(t)}$ = Total return index value on Index valuation day (t)
$\boldsymbol{TI}_{(t-1)}$ = Total return index value on Index valuation day (t-1)
$\boldsymbol{IR}_{(t)}$ = Index daily total return on Index valuation day (t)

$IR_{(t)}$ is calculated by incorporating the dividend (income) effect into the price return index value, which is given by the following formula:

$$I_{(t)} = \frac{\sum_{i=1}^{n} S_{i(t)} \times P_{i(t)} \times FX_{i(t)}}{D_{(t)}}$$

where:

$I_{(t)}$ = the price return index value at on Index valuation day (t)
$D_{(t)}$ = Divisor at on Index valuation day (t)
n = Number of stocks in the index
$Pi_{(t)}$ = Closing price of stock (i) on Index valuation day (t)
$Si_{(t)}$ = Number of allocated shares of stock (i) on Index valuation day (t)
$FX_{i(t)}$ = FX rate published by W/M Reuters with respect to 4:00 pm London time fixing on Index valuation day (t) required to convert closing price of stock (i) in Index currency, USD.

The Index is available in real time through Bloomberg (PFAITN Index).

Index adjustments

Periodic review

The Index is rebalanced semi-annually after the close of business on the second Friday in June and December each year.

The index is reconstituted semi-annually after the close of the second Friday in June each year.

Ongoing review

Constituent changes may occur between review periods due to corporate events that disqualify their eligibility for Index inclusion. A constituent is removed immediately after being delisted from its primary market. For more details on adjustments to be made for each category of corporate events, please refer to the Index Methodology available on the Index Provider's website.

Top 10 constituents of the Index

As at 25 March 2021, the 10 largest constituents of the Index (which accounted in aggregate for 24.66% of the Index) were as follows:

Rank	Constituent Name	Exchange	Weighting (%)
1.	Bilibili Inc.	United States	2.90
2.	Baidu.com ADR	United States	2.67
3.	BeiGene Ltd	Hong Kong	2.63

4.	Mediatek Inc	Taiwan	2.49
5.	NAVER Corp	South Korea	2.44
6.	Vipshop Holdings Ltd	United States	2.38
7.	Kakao Corp	South Korea	2.37
8.	Delta Electronic Ind	Taiwan	2.29
9.	Contemporary Amperex Technology Co Ltd A	China	2.26
10.	SK Hynix Inc	Taiwan	2.22

You can obtain the most updated list of the constituents of the Index and additional information of the Index from the website of the Index Provider at www.factset.com/analytics/branded-indexes.

Index Provider disclaimer

The Sub-Fund is not sponsored, endorsed, sold or promoted by FactSet. FactSet makes no representation or warranty, express or implied, to the owners of the Sub-Fund or any member of the public regarding the advisability of investing in securities generally or in the Sub-Fund particularly or the ability of the Premia FactSet Asia Innovative Technology Index to track general stock market performance. FactSet licenses to the Manager (the “Licensee”) certain trademarks and trade names of FactSet. The Premia FactSet Asia Innovative Technology Index is determined, composed and calculated by FactSet without regard to the Licensee, adviser or the Sub-Fund. FactSet has no obligation to take the needs of the Licensee, adviser or the owners of the Sub-Fund into consideration in determining, composing or calculating the Index. FactSet is not responsible for and has not participated in the determination of the prices and amount of the Sub-Fund or the timing of the issuance or sale of the Sub-Fund or in the determination or calculation of the equation by which the Sub-Fund is to be converted into cash. FactSet has no obligation or liability in connection with the administration, marketing or trading of the Sub-Fund.

FACTSET DOES NOT GUARANTEE THE ADEQUACY, ACCURACY, TIMELINESS, AND/OR THE COMPLETENESS OF THE PREMIA FACTSET ASIA INNOVATIVE TECHNOLOGY INDEX OR ANY DATA INCLUDED THEREIN OR RELATED THERETO OR ANY COMMUNICATION, INCLUDING BUT NOT LIMITED TO, ORAL OR WRITTEN COMMUNICATION (INCLUDING ELECTRONIC COMMUNICATIONS) WITH RESPECT THERETO AND FACTSET SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, DELAYS, OR INTERRUPTIONS THEREIN. FACTSET MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, ADVISER, OWNERS OF THE SUB-FUND, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE PREMIA FACTSET INNOVATIVE TECHNOLOGY INDEX OR ANY DATA INCLUDED THEREIN. FACTSET MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE PREMIA FACTSET INNOVATIVE TECHNOLOGY INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL FACTSET HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL

DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Index licence agreement

The initial term of the licence of the Index commenced on 29 June 2018 and should continue until 28 June 2023 on which date the licence should be renewed for successive terms of 1 year unless either party to the licence agreement serves a written notice of termination of at least 180 days prior to the end of the then current term to the other party. The licence agreement may otherwise be terminated in accordance with the provisions of the licence agreement.

Appendix dated 7 April 2021

APPENDIX 4: PREMIA DOW JONES EMERGING ASEAN TITANS 100 ETF

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.

Index	Dow Jones Emerging ASEAN Titans 100 Index
Type of Index	Net Total Return
Initial Issue Date	3 August 2018 (the Business Day immediately before the Listing Date)
Listing Date (SEHK)	6 August 2018
Issue Price during the Initial Offer Period	USD10
Exchange Listing	SEHK – Main Board
Stock Code	09810 – USD counter 02810 – HKD counter
Trading Board Lot Size	50 Units – USD counter 50 Units – HKD counter
Base Currency	United States dollars (USD)
Trading Currency	United States dollars (USD) Hong Kong dollars (HKD)
Distribution Policy	The Manager intends to pay distributions to Unitholders at least annually (in July each year). All Units will receive distributions in the Base Currency (USD) only.* Distributions may be made out of capital or effectively out of capital as well as income at the Manager's discretion. Where distributions are made out of capital or effectively out of capital, this may result in an immediate reduction in the Net Asset Value per Unit
Creation/Redemption Policy	Cash (USD) only
Application Unit Size (only by or through Participating Dealers)	Minimum 50,000 Units (or multiples thereof)
Dealing Deadline	11:00 a.m. (Hong Kong time) on the Business Day before the relevant Dealing Day
Management Fee	Currently 0.50% per year of the Net Asset Value
Investment Strategy	Representative sampling. Please refer to the section on "What is the investment strategy?" below

Maximum Deviation from Index Weighting	3%
Ongoing Charges Over a Year**	Estimated to be 0.50%
Financial Year End	31 December
Listing Agent	Altus Capital Limited
Market Makers (USD Counter)	Flow Traders Hong Kong Limited
Market Makers (HKD Counter)	Flow Traders Hong Kong Limited
Participating Dealers	ABN AMRO Clearing Hong Kong Limited Canfield Securities Company Limited Cathay Securities (Hong Kong) Limited CCBI International Securities Limited China Merchants Securities (HK) Co., Limited Citigroup Global Markets Asia Limited GF Securities (Hong Kong) Brokerage Limited Goldman Sachs (Asia) Securities Limited Guotai Junan Securities (Hong Kong) Limited Haitong International Securities Company Limited KGI Asia Limited Merrill Lynch Far East Limited SG Securities (Hong Kong) Limited Yuanta Securities (Hong Kong) Company Limited
Service Agent	HK Conversion Agency Services Limited
Website	www.premia-partners.com

* *All Units will receive distributions in USD only. In the event that the relevant Unitholder has no USD account, the Unitholder may have to bear the fees and charges associated with the conversion of such dividend from USD into HKD or any other currency. Unitholders are advised to check with their brokers regarding arrangements for distributions and to consider the risk factor entitled "Other currency distributions risk" below.*

** *As the Sub-Fund is newly set up, this figure is a best estimate only and represents the sum of the estimated ongoing charges expressed as a percentage of the estimated average Net Asset Value. It may be different upon actual operation of the Sub-Fund and may vary from year to year. The estimated ongoing charges do not represent the estimated tracking error. As the Sub-Fund adopts a single management fee structure as described in "Fees and expenses" below, the estimated ongoing charges of the Sub-Fund will be equal to the amount of the Management Fee which is a single management fee and is capped at a maximum of 0.50% of the average Net*

Asset Value of the Sub-Fund. Any ongoing expenses exceeding 0.50% of the average Net Asset Value of the Sub-Fund will be borne by the Manager and will not be charged to the Sub-Fund.

What is the investment objective?

The investment objective of the Sub-Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the Index. There can be 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 an optimised representative sampling strategy by investing, directly or indirectly, in a representative sample of the Securities in the Index that collectively reflects the investment characteristics of the Index. The Sub-Fund may or may not hold all of the Securities that are included in the Index, and may hold Securities which are not included in the Index, provided that these collectively feature a high correlation with the Index.

The Sub-Fund may invest up to 100% of its Net Asset Value directly in equity securities listed on stock exchanges in Indonesia, Malaysia, the Philippines, Thailand, Vietnam and other Association of South East Asian Nations (ASEAN) member countries such as Singapore.

The Sub-Fund may also invest in money market funds and in cash deposits for cash management purposes although such investments are not anticipated to exceed 5% of the Net Asset Value of the Sub-Fund.

Currently, the Manager has no intention to invest the Sub-Fund in any physical commodities or FDIs (including structured products or instruments) for hedging or non-hedging (i.e. investment) purposes, and will not enter into Securities Lending Transactions, repurchase or Reverse Repurchase Transactions and other similar over-the-counter transactions. The Manager will seek the prior approval of the SFC (to the extent required under applicable regulatory requirements) and provide at least one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) before the Manager engages in any such investments.

Prior approval of the SFC (to the extent required under applicable regulatory requirements) will be sought and not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) will be given to the Unitholders in the event the Manager wishes to adopt an investment strategy other than a representative sampling strategy.

The investment strategy of the Sub-Fund is subject to the investment and borrowing restrictions set out in Part 1 of this Prospectus.

Notwithstanding the investment and borrowing restrictions set out in Part 1 of this Prospectus, the Sub-Fund shall not invest in units or shares of other collective investment schemes.

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.

Emerging markets risk

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

Risk associated with small-capitalisation/mid-capitalisation companies

The stock of small-capitalisation/mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

Southeast Asian markets suspension of trading risk

Some Southeast Asian stock exchanges may have the right to suspend or limit trading in any security traded on the relevant exchange. The government or the regulators may also implement policies that may affect the financial markets.

Foreign investments restrictions risks

Some Southeast Asian countries prohibit or restrict foreign investment, or the repatriation of income, capital or the proceeds from sale of Securities. The Sub-Fund may incur higher costs investing in these countries. These restrictions may limit the Sub-Fund's ability to invest in these countries, delay the investment or repatriation of capital of the Sub-Fund and impact the Sub-Fund's ability to track the performance of the Index.

Distributions out of or effectively out of capital risk

The Manager may, at its discretion make distributions out of capital. The Manager may also, at its discretion, make distributions out of gross income while all or part of the fees and expenses of the Sub-Fund are charged to/paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of distributions by the Sub-Fund and therefore, the Sub-Fund may effectively pay distributions out of the capital. 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 distributions involving payment of distributions out of or effectively out of the Sub-Fund's capital may result in an immediate reduction of the Net Asset Value per Unit. The Manager may amend its distribution policy subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) .

Other currency distributions risk

Investors should note that all Units will receive distributions in the Base Currency (USD) only. In the event that the relevant Unitholder has no USD account, the Unitholder may have to bear the fees and charges associated with the conversion of such distribution from USD to HKD or any other currency. The Unitholder may also have to bear bank or financial institution fees and charges associated with the handling of the distribution payment. Unitholders are advised to check with their brokers regarding arrangements for distributions.

Trading hours differences risk

As the stock exchanges on which the Index constituents are listed may be open when Units in the Sub-Fund are not priced, the value of the Securities in the Sub-Fund's portfolio may change on days when investors will not be able to purchase or sell the Sub-Fund's Units. Furthermore, the market price of underlying Securities listed on the above stock exchanges which are established outside Hong Kong may not be available during part or all of the SEHK trading sessions due to trading hour differences which may result in the trading price of the Sub-Fund deviating away from the Net Asset Value.

The offering phases

Dealings in the Units on the SEHK have commenced on 6 August 2018.

The current Dealing Deadline After Listing is 11:00 a.m. (Hong Kong time) on the Business Day before the relevant Dealing Day, or such other time as the Manager (with the approval of Trustee) may determine on any day when the trading hours of the SEHK are reduced.

All Creation Applications must be made in cash (in USD only). Settlement in cash for subscribing Units is due at the time specified in the Operating Guidelines on the relevant Dealing Day in accordance with the Operating Guidelines.

The attention of investors is drawn to the section entitled "The Offering Phases" in Part 1 of this Prospectus.

Multi-Counter

The Manager has arranged for the Units of the Sub-Fund to be available for trading on the secondary market on the SEHK under a Multi-Counter arrangement. Units are denominated in USD. The Sub-Fund offers 2 trading counters on the SEHK (i.e. HKD counter and USD counter) to investors for secondary trading purposes. Units traded in HKD counter will be settled in HKD and Units traded in USD counter will be settled in USD. Apart from settlement in different currencies, the trading prices of Units in the counters may be different as the different counters are distinct and separate markets.

Units traded on each counters are of the same class and all Unitholders of all counters are treated equally. The counters will have different stock codes (as set out in the section "Key Information" above), different stock short names and different ISIN numbers.

Normally, investors can buy and sell Units traded in the same counter or alternatively buy in one counter and sell in the other counter provided their brokers provide HKD and USD trading services at the same time and offer inter-counter transfer services to support Multi-Counter trading. Inter-counter buy and sell is permissible even if the trades take places within the same trading day. However, investors should note that the trading price of 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, including inter-counter transfers. Investors' attention is also drawn to the risk factor above entitled "Risks Associated with Multi-Counter".

Exchange Listing and Trading (Secondary Market)

General

Units traded in HKD and USD have been issued and listed on the SEHK.

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 Units on one or more other stock exchanges. Investors' attention is drawn to the section entitled "Exchange Listing and Trading (Secondary Market)" in Part 1 of this Prospectus for further information.

Dealings on the SEHK in Units traded in HKD and USD began on 6 August 2018. Units are traded on the SEHK in board lots of 50 Units.

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

Redemptions

Units can be redeemed directly (through a Participating Dealer). Redemption proceeds shall be paid in USD only, notwithstanding a Multi-counter being adopted for the Sub-Fund.

Distribution policy

The Manager intends to declare and distribute net dividends to Unitholders at least annually (in July each year). The Manager will make an announcement prior to any distribution in respect of the relevant distribution amount in USD only. Distributions may be made out of capital as well as income at the Manager's discretion. The Manager may also, at its discretion, pay dividend out of gross income while all or part of the fees and expenses of the Sub-Fund are charged to/paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and therefore, the Sub-Fund may effectively pay dividend out of capital. The Manager may amend the policy with respect to distribution out of capital or effectively out of capital subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) to investors.

Each Unitholder will receive distributions in USD only. Unitholders without USD accounts may have to bear the fees and charges associated with the conversion of such dividend from USD into HKD or any other currency. Unitholders are advised to check with their brokers regarding arrangements for distributions.

Distribution payment rates in respect of Units will depend on factors beyond the control of the Manager or Trustee including, general economic conditions, and the financial position and dividend or distribution policies of the relevant underlying entities. There can be no assurance that such entities will declare or pay dividends or distributions.

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 distributions involving payment out of or effectively out of the Sub-Fund's capital may result in an immediate reduction in the Net Asset Value per Unit.

The composition of distributions payable on Units (i.e. the relative amounts of distributions paid and the percentages of dividends out of (i) net distributable income and (ii) capital), if any, for the last 12 months are available from the Manager on request and are also published on the website www.premia-partners.com. The Manager may amend the Sub-Fund's distribution policy with respect to the distributions out of capital or effectively out of capital of the Sub-Fund subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) .

Fees and expenses

The Sub-Fund employs a single management fee structure, with the Sub-Fund paying all of its fees, costs and expenses (and its due proportion of any costs and expenses of the Trust allocated to it) as a single flat fee (the "Management Fee"). Fees and expenses taken into account in determining the Management Fee include, but are not limited to, the Manager's fee, Trustee's fee, Registrar's fees, fees of the Service Agent, fees and expenses of the auditors, securities transaction fee, ordinary out-of-pocket expenses incurred by the Manager or the Trustee and costs and expenses of licensing the Index. The Management Fee does not include brokerage and transaction costs, fees and extraordinary items such as litigation expenses.

The ongoing charges of the Sub-Fund is equal to the amount of the Management Fee which is capped at a maximum of 0.50% per year of the Net Asset Value of the Sub-Fund and is accrued daily and calculated as at each Dealing Day. It is payable out of the Sub-Fund monthly in arrears in USD. Any increase or removal of the cap is subject to the prior approval of the SFC (to the extent required under applicable regulatory requirements) and one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) .

The Index

This section is a brief overview of the Index. It contains a summary of the principal features of the Index and is not a complete description of the Index. As of the date of this Prospectus, the summary of the Index in this section is accurate and consistent with the complete description of the Index. Complete information on the Index appears in the website identified below. Such information may change from time to time and details of the changes will appear on that website.

General information on the Index

The Index of the Sub-Fund is Dow Jones Emerging ASEAN Titans 100 Index. The Index is one of the global/regional indices under the Dow Jones Titans Indices family. The Index is a float adjusted market capitalisation weighted index which measures the performance of 100 of the largest stocks from five of the Association of South East Asian Nations (ASEAN) countries, namely Indonesia, Malaysia, Philippines, Thailand and Vietnam.

The Index is compiled and published by S&P Dow Jones Indices ("S&P" or the "Index Provider"). The Manager (and each of its Connected Persons) is independent of the Index Provider.

The Index is a net total return index. A net total return index calculates the performance of the index constituents on the basis that any dividends or distributions are reinvested after the deduction of any withholding taxes that may apply. The Index is denominated and quoted in USD.

As at 16 December 2019, it comprised 100 constituent stocks with float market capitalisation of approximately USD402.95 billion.

The Index was launched on 29 May 2018 and had a base level of 100 on 19 March 2010.

Index methodology

Index Universe

The Index universe is defined as all stocks of the S&P Global BMI country indices for Indonesia, Malaysia, Philippines, Thailand and Vietnam. A stock is eligible for inclusion in a S&P Global BMI country index if the company is domiciled in the respective country. Preferred shares are ineligible.

Selection Universe

To qualify for the selection universe, stocks in the Index universe must have:

1. a minimum float-adjusted market capitalisation of USD300 million (USD 240 million for existing constituents);

2. a minimum one-year average daily traded value of USD1 million (USD800 thousand for existing constituents); and

3. no more than 10 non-trading days over the past quarter.

For a company with multiple share class lines, eligibility for inclusion in the Index is based on the total float-adjusted market capitalisation of the eligible lines of the company.

Constituent Selection

The following steps are then applied to select the Index constituents from the selection universe:

Step 1: Companies in the selection universe are ranked by each of the following:

(a) Float-adjusted market capitalisation
(b) Revenue
(c) Net income

Step 2: For each company, a final rank is calculated by weighting the float-adjusted market capitalisation rank at 60%, the revenue rank at 20%, and the net income rank at 20%. In case of a tie, companies with higher float-adjusted market capitalisation are ranked higher.

Step 3: Companies are selected top-down by final rank until the target constituent count of 100 is reached, subject to the following buffers:

(a) Any non-constituent company ranked among the top 80 by final rank will replace the lowest-ranked Index constituent.

(b) Any constituent company not among the top 120 by final rank will be replaced by the highest-ranked non-constituent.

Weighting

Constituent weighting is determined by float-adjusted market capitalisation, subject to an 8% company cap and a 25% country cap. Weights are reviewed quarterly.

In extreme cases, the capping constraints may not be achievable. In these instances, the constraint on each country's weight is relaxed to 35% for the impacted rebalancing period only. If the capping constraints are still not achievable, the index committee will determine the appropriate modifications to the Index rules.

The Index is available in real time through Bloomberg (DJSEA1UN Index).

Index adjustments

Periodic review

The Index is rebalanced annually in March. Changes are implemented at the open of trading on the Monday following the third Friday in March. The rebalancing reference date is the third Friday of February of the same year.

The constituent shares outstanding and cap factors are reviewed and updated quarterly. Changes to a constituent's shares and cap factors as a result of the quarterly review are implemented after the close of trading on the third Friday in March, June, September and December, and are effective at the open of the next trading day.

In addition, on a quarterly basis (outside of the annual Index composition rebalancing), the selection universe is updated and re-ranked in order to check for possible early entry or removal of securities. These changes, if any, are typically announced prior to the quarterly review and are effective at the open on the Monday following the third Friday of March, June, September and December.

Ongoing review

The Index is reviewed on an ongoing basis to account for corporate events such as mergers, takeovers, delistings or bankruptcies. Changes to Index composition and related weight adjustments are made as soon as these corporate events are effective. These changes are typically announced two business days prior to the implementation date.

Top 10 constituents of the Index

As at 25 March 2021, the 10 largest constituents of the Index (which accounted in aggregate for 32.97% of the Index) were as follows:

Rank	Constituent Name	Exchange	Weighting (%)
1.	Bank Central Asia Tbk PT	Indonesia	6.51
2.	Bank Rakyat Indonesia Persero Tbk PT	Indonesia	4.51
3.	SM Investments Corp	Philippines	3.50
4.	Public Bank Bhd	Malaysia	3.18
5.	SM Prime Holdings Inc	Philippines	2.99
6.	PT Telkom Indonesia Tbk	Indonesia	2.99
7.	Malayan Banking Bhd	Malaysia	2.70
8.	PTT PCL	Thailand	2.35
9.	Bank Mandiri Tbk PT	Indonesia	2.20
10.	Vincom JSC	Vietnam	2.04

You can obtain the most updated list of the constituents of the Index and additional information of the Index from the website of the Index Provider at www.spindices.com.

Index Provider disclaimer

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Index licence agreement

The initial term of the licence of the Index commenced on 29 June 2018 and should continue until 28 June 2023 on which date the licence should be renewed for successive terms of 3 year unless either party to the licence agreement serves a written notice of termination of at least 90 days prior to the end of the then current term to the other party. The licence agreement may otherwise be terminated in accordance with the provisions of the licence agreement.

Appendix dated 4 April 2021

APPENDIX 5: PREMIA US TREASURY FLOATING RATE ETF

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.

Index	Bloomberg Barclays US Treasury Floating Rate Bond Index
Type of Index	Total Return
Initial Issue Date	In respect of the Distributing Unit Class : 17 July 2019 (the Business Day immediately before the Listing Date) In respect of the Accumulating Unit Class : 24 September 2019
Listing Date (SEHK)	In respect of the Distributing Unit Class : 18 July 2019 In respect of the Accumulating Unit Class : 27 September 2019
Issue Price during the Initial Offer Period	In respect of the Distributing Unit Class : USD500 In respect of the Accumulating Unit Class : The opening price of the Distributing Unit Class on 24 September 2019
Exchange Listing	SEHK – Main Board
Stock Code	In respect of the Distributing Unit Class : 09077 – USD counter 03077 – HKD counter In respect of the Accumulating Unit Class : 09078 – USD counter
Trading Board Lot Size	In respect of the Distributing Unit Class : 5 Units – USD counter 5 Units – HKD counter

	In respect of the Accumulating Unit Class : 5 Units – USD counter
Base Currency	In respect of the Distributing Unit Class : United States dollars (USD) In respect of the Accumulating Unit Class : United States dollars (USD)
Trading Currency	In respect of the Distributing Unit Class : United States dollars (USD) Hong Kong dollars (HKD) In Respect of the Accumulating Unit Class : United States dollars (USD)
Distribution Policy	In respect of the Distributing Unit Class : The Manager intends to pay distributions to Unitholders of the Distributing Unit Class quarterly (in January, April, July and October each year). All Units of the Distributing Unit Class will receive distributions in the Base Currency (USD) only.* Distributions may be made out of capital or effectively out of capital as well as income at the Manager's discretion. Where distributions are made out of capital or effectively out of capital, this may result in an immediate reduction in the Net Asset Value per Unit of the Distributing Unit Class. No distribution of dividends to the Accumulating Unit Class. Income and capital gain will be reinvested and reflected in the Net Asset Value per Unit of the Accumulating Unit Class.
Creation/Redemption Policy **(for each of the Distributing Unit Class and Accumulating Unit Class)**	Cash (USD) / In-Kind
Application Unit Size (only by or through Participating Dealers) (for each of the Distributing Unit Class and Accumulating Unit Class)	Minimum 1,000 Units (or multiples thereof)
Dealing Deadline	After Listing: 4:00 p.m. (Hong Kong time) on the relevant Dealing Day

Management Fee (for each of the Distributing Unit Class and Accumulating Unit Class)	Currently 0.15% per year of the Net Asset Value of the each of the Distributing Unit Class and Accumulating Unit Class
Investment Strategy	Representative sampling. Please refer to the section on "What is the investment strategy?" below
Maximum Deviation from Index Weighting	3%
Ongoing Charges Over a Year**	Estimated to be 0.15%
Financial Year End	31 December
Listing Agent	Altus Capital Limited
Market Makers (USD Counter) (for each of the Distributing Unit Class and Accumulating Unit Class)	Flow Traders Hong Kong Limited
Market Makers (HKD Counter) (for the Distributing Unit Class)	Flow Traders Hong Kong Limited
Participating Dealers (for each of the Distributing Unit Class and Accumulating Unit Class)	Canfield Securities Company Limited Cathay Securities (Hong Kong) Limited CCBI International Securities Limited China Merchants Securities (HK) Co. Limited Citigroup Global Markets Asia Limited GF Securities (Hong Kong) Brokerage Limited Goldman Sachs (Asia) Securities Limited Guotai Junan Securities (Hong Kong) Limited Haitong International Securities Company Limited Merrill Lynch Far East Limited Yuanta Securities (Hong Kong) Company Limited
Service Agent	HK Conversion Agency Services Limited
Website	www.premia-partners.com

* *All Units will receive distributions in USD only. In the event that the relevant Unitholder has no USD account, the Unitholder may have to bear the fees and charges associated with the conversion of such dividend from USD into HKD or any other currency. Unitholders are advised to check with their brokers regarding arrangements for distributions and to consider the risk factor entitled "Foreign exchange and other currency distributions risk" below.*

** *As the Sub-Fund is newly set up, this figure is a best estimate only and represents the sum of the estimated ongoing charges expressed as a percentage of the estimated average Net Asset Value. It may be different upon actual operation of the Sub-Fund and may vary from year to year. The estimated ongoing charges do not represent the estimated tracking error. As the Sub-Fund adopts a single management fee structure as described in "Fees and expenses" below, the estimated ongoing charges of the Sub-Fund will be equal to the amount of the Management*

Fee which is a single management fee and is capped at a maximum of 0.15 of the average Net Asset Value of the Sub-Fund. Any ongoing expenses exceeding 0.15% of the average Net Asset Value of the Sub-Fund will be borne by the Manager and will not be charged to the Sub-Fund.

What is the investment objective?

The investment objective of the Sub-Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the Index. There can be 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 an optimised representative sampling strategy by investing, directly or indirectly, in a representative sample of the Securities in the Index that collectively reflects the investment characteristics of the Index. The Sub-Fund may or may not hold all of the Securities that are included in the Index, and may hold Securities which are not included in the Index, provided that these collectively feature a high correlation with the Index.

The Sub-Fund may invest up to 100% of its Net Asset Value directly in US Treasury Floating Rate Bonds ("**Floating Rate Notes**" or "**FRNs**").

The Sub-Fund may also invest in money market funds and in cash deposits for cash management purposes although such investments are not anticipated to exceed 5% of the Net Asset Value of the Sub-Fund.

Currently, the Manager has no intention to invest the Sub-Fund in FDIs (including structured products or instruments) for hedging or non-hedging (i.e. investment) purposes, and will not enter into Securities Lending Transactions, repurchase or Reverse Repurchase Transactions and other similar over-the-counter transactions. The Manager will seek the prior approval of the SFC (to the extent required under applicable regulatory requirements) and provide at least one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) before the Manager engages in any such investments.

Prior approval of the SFC (to the extent required under applicable regulatory requirements) will be sought and not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) will be given to the Unitholders in the event the Manager wishes to adopt an investment strategy other than a representative sampling strategy.

The investment strategy of the Sub-Fund is subject to the investment and borrowing restrictions set out in Part 1 of this Prospectus.

Notwithstanding the investment and borrowing restrictions set out in Part 1 of this Prospectus, the Sub-Fund shall not invest in units or shares of other collective investment schemes.

The Sub-Fund is available in (a) distributing unit class (in both USD and HKD counters) ("**Distributing Unit Class**") and (b) accumulating unit class (in USD counter) ("**Accumulating Unit Class**") which are available for trading in the SEHK – Main Board. The Distributing Unit Class pays distributions to Unitholders of this unit class (which may be made out of capital or effectively out of capital as well as income) at the Directors' discretion. The Accumulating Unit Class is a unit class that does not pay dividends to Unitholders of this unit class.

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.

Concentration risk / U.S. market concentration risks

The Sub-Fund's investments are concentrated in a single country, namely the U.S. and in bonds of a single issuer. The Sub-Fund's value may be more volatile than that of a fund having a more diverse portfolio and may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the U.S. market. The Sub-Fund's investment in U.S. Treasury securities is not subject to U.S. withholding, income or capital gains tax.

Debt securities market risks

<u>Floating Rate Notes risk</u>

Securities with floating rates can be less sensitive to interest rate changes than securities with fixed interest rates, but may decline in value and negatively impact the Sub-Fund's Net Asset Value, particularly if the coupon rates do not rise as much, or as quickly, as comparable market interest rates. This risk is also heightened because floating rate Treasury obligations are new issuances for which a deep and liquid market has not yet developed. As compared to fixed-rate treasury notes of the same maturity, FRNs generally have a lower yield if the interest rate yield curve is downward sloping and a higher yield if the interest rate yield curve is upward sloping. When interest rates are rising, the ability of FRNs to reset to a higher level will result in higher yield as compared to fixed-rate treasury notes for which the coupon rate remain unchanged. Conversely, when interest rates are falling, the coupon rates of FRNs will reset to a lower level, leading to a lower yield and subsequently a decline in the Sub-Fund's income.

<u>Income risk</u>

The Sub-Fund's income may decline when interest rates fall. This decline can occur because the debt instruments held by the Sub-Fund will have floating, or variable, interest rates.

<u>Risk of limited issuance</u>

The issuance of FRNs by the U.S. Treasury is relatively new and the amount of supply is limited. There is no guarantee or assurance that: (i) the Sub-Fund will be able to invest in a desired amount of FRNs, (ii) the Sub-Fund will be able to buy FRNs at a desirable price, (iii) FRNs will continue to be issued by the U.S. Treasury, or (iv) FRNs will be actively traded. Any or all of the foregoing, should they occur, would negatively impact the Sub-Fund.

<u>Valuation risk</u>

Valuation of the fund's instruments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the Net Asset Value of the Sub-Fund.

<u>Interest rate risk</u>

Interest rate risk is the risk that fixed income securities will decline in value because of an increase in interest rates and changes to other factors, such as perception of an issuer's creditworthiness. Funds with higher durations generally are subject to greater interest rate risk. However, FRNs are subject to an interest rate reset on a weekly basis, thereby resulting in a duration of only one week. The Sub-Fund's exposure to interest rate risk is thus generally to a lesser degree than fixed income securities.

<u>Credit rating and downgrading risk</u>

Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times. The credit rating of a debt instrument or its issuer may subsequently be downgraded. In the event of such downgrading, the value of the Sub-

Fund may be adversely affected. The Manager may or may not be able to dispose of the debt instruments that are being downgraded.

Credit risk and sovereign debt risk

The financial condition of an issuer of a debt security or other instrument may cause such issuer to default, become unable to pay interest or principal due or otherwise fail to honor its obligations or cause such issuer to be perceived as being in such situations. Further, the Sub-Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks and may not be able or willing to repay the principal and/or interest when due or may request the Sub-Fund to participate in restructuring such debts.

Distributions out of or effectively out of capital risk

In respect of the Distributing Unit Class, the Manager may, at its discretion make distributions out of capital. The Manager may also, at its discretion, make distributions out of gross income while all or part of the fees and expenses of the Distributing Unit Class of the Sub-Fund are charged to/paid out of the capital of the Distributing Unit Class of the Sub-Fund, resulting in an increase in distributable income for the payment of distributions by the Distributing Unit Class of the Sub-Fund and therefore, the Distributing Unit Class of the Sub-Fund may effectively pay distributions out of the capital. 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 distributions involving payment of distributions out of or effectively out of Distributing Unit Class of the Sub-Fund's capital may result in an immediate reduction of the Net Asset Value per Unit of the Distributing Unit Class. The Manager may amend its distribution policy subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) to Unitholders.

Foreign exchange and other currency distributions risk

The Sub-Fund's Base Currency is in USD but has Units traded in HKD (in addition to USD). Secondary market investors may be subject to additional costs or losses associated with fluctuations in the exchange rates between HKD and the Base Currency and by changes in exchange rate controls when trading Units in the secondary market.

Investors should note that all Units of the Distributing Unit Class will receive distributions in the Base Currency (USD) only. In the event that the relevant Unitholder has no USD account, the Unitholder may have to bear the fees and charges associated with the conversion of such distribution from USD to HKD or any other currency. The relevant Unitholder may also have to bear bank or financial institution fees and charges associated with the handling of the distribution payment. Relevant unitholders are advised to check with their brokers regarding arrangements for distributions.

Difference in distribution policy

The Manager will pay distributions to Unitholders of the Distributing Unit Class but not to Unitholders of the Accumulating Unit Class. Distributions made in respect of the Distributing Unit Class may result in an immediate reduction in the Net Asset Value per Unit. All income and capital gain received in the Accumulating Unit Class will be reinvested and reflected in the Net Asset Value per Unit. The difference in the distribution policies of the two classes will lead to difference in the Net Asset Value between the two classes.

Trading hours differences risk

As the trading platforms on which the Index constituents are traded may be open when Units in the Sub-Fund are not priced, the value of the Securities in the Sub-Fund's portfolio may change on days when investors will not be able to purchase or sell the Sub-Fund's Units. Furthermore, the market price of underlying Securities traded on the above trading platforms which are established outside Hong Kong may not be available during part or all of the SEHK trading sessions due to trading hour differences which may result in the trading price of the Sub-Fund deviating away from the Net Asset Value. Shares traded on certain trading platforms may be subject to trading bands which restrict increases and decreases in the trading price. Units traded on the SEHK are not. The prices quoted by the SEHK market maker would therefore be adjusted to take into account any accrued market risk that arises from such unavailability of the Index level and as a result, the level of premium or discount of the Unit price of the Sub-Fund to its Net Asset Value may be higher.

U.S. Taxation

Interest received by U.S. nonresidents on obligations of the U.S. government (for example, Treasury bills, notes and bonds) which were issued after 18 July, 1984 ("portfolio interest" obligations) is generally exempt from U.S. withholding tax, as long as a Form W-8BEN has been provided to the payer. It is the Manager's intention to file a Form W8-BEN on behalf of the Sub-Fund. Furthermore, capital gains on the sale of U.S. government securities held for investment are generally exempt from U.S. tax as well.

The offering phases

Dealings in the Units of the Distributing Unit Class on the SEHK commenced on 18 July 2019 and dealings in the Units of the Accumulating Unit Class on the SEHK commenced on 27 September 2019.

The current Dealing Deadline After Listing is 4:00 p.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager (with the approval of Trustee) may determine on any day when the trading hours of the SEHK are reduced.

All Creation Applications must be made either in cash (in USD only) or in-kind. Settlement in cash or in-kind for subscribing Units is due at the time specified in the Operating Guidelines on the relevant Dealing Day in accordance with the Operating Guidelines.

The attention of investors is drawn to the section entitled "The Offering Phases" in Part 1 of this Prospectus.

Multi-Counter

The Manager has arranged for the Units of the Sub-Fund to be available for trading on the secondary market on the SEHK under a Multi-Counter arrangement. Units are denominated in USD. The Sub-Fund offers 2 trading counters on the SEHK for the Distributing Unit Class (i.e. HKD counter and USD counter) and 1 trading counter on the SEHK on the Accumulating Unit Class (i.e. USD counter) to investors for secondary trading purposes. In relation to the Distributing Unit Class, units traded in HKD counter will be settled in HKD and Units traded in USD counter will be settled in USD. In relation to the Accumulating Unit Class, units traded will be settled in USD. Apart from settlement in different currencies, the trading prices of Units in the counters of the relevant unit class may be different as the different counters are distinct and separate markets. Units traded on each counters of the respective unit class are of the same class and all Unitholders of all counters are treated equally. The counters will have different stock codes (as set out in the section "Key Information" above), different stock short names and different ISIN numbers.

Normally, investors can buy and sell Units traded in the same counter or alternatively buy in one counter and sell in the other counter of the same unit class provided their brokers provide HKD and USD trading services at the same time and offer inter-counter transfer services to support Multi-Counter trading. Inter-counter buy and sell is permissible even if the trades take places within the same trading day. However, investors should note that the trading price of 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, including inter-counter transfers. Investors' attention is also drawn to the risk factor above entitled "Risks Associated with Multi-Counter".

Exchange Listing and Trading (Secondary Market)

General

Units of the Distributing Unit Class traded in HKD and USD, and units of the Accumulating Unit Class traded in USD have been issued and listed on the SEHK.

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 Units on one or more other stock exchanges. Investors' attention is drawn to the section entitled "Exchange Listing and Trading (Secondary Market)" in Part 1 of this Prospectus for further information.

Dealings on the SEHK in Units of the Distributing Unit Class traded in HKD and USD began on 18 July 2019. Dealings on the SEHK in Units of the Accumulating Unit Class traded in USD began on 27 September 2019. Units are traded on the SEHK in board lots of 5 Units.

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

Redemptions

Units can be redeemed directly (through a Participating Dealer). Redemption proceeds shall be paid in USD only, notwithstanding a Multi-counter being adopted for the Sub-Fund.

Distribution policy

In respect of the Distributing Unit Class, the Manager intends to declare and distribute net dividends to Unitholders at least quarterly (in January, April, July and October each year). The Manager will make an announcement prior to any distribution in respect of the relevant distribution amount in USD only. Distributions may be made out of capital as well as income at the Manager's discretion. The Manager may also, at its discretion, pay dividend out of gross income while all or part of the fees and expenses of the Distributing Unit Class of the Sub-Fund are charged to/paid out of the capital of that class of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by that class of the Sub-Fund and therefore, that class of the Sub-Fund may effectively pay dividend out of capital. The Manager may amend the policy with respect to distribution out of capital or effectively out of capital subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) to investors.

Each Unitholder of the Distributing Unit Class will receive distributions in USD only. Unitholders without USD accounts may have to bear the fees and charges associated with the conversion of such dividend from USD into HKD or any other currency. Unitholders are advised to check with their brokers regarding arrangements for distributions.

Distribution payment rates in respect of Units of the Distributing Unit Class will depend on factors beyond the control of the Manager or Trustee including, general economic conditions, and the financial position and dividend or distribution policies of the relevant underlying entities. There can be no assurance that such entities will declare or pay dividends or distributions.

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 distributions involving payment out of or effectively out of the Distributing Unit Class of the Sub-Fund's capital may result in an immediate reduction in the Net Asset Value per Unit of that unit class.

No distribution of dividends to the Accumulating Unit Class. Income and capital gain will be reinvested and reflected in the Net Asset Value per Unit of the Accumulating Unit Class.

The composition of distributions payable on Units of the Distributing Unit Class (i.e. the relative amounts of distributions paid and the percentages of dividends out of (i) net distributable income and (ii) capital), if any, for the last 12 months are available from the Manager on request and are also published on the website www.premia-partners.com. The Manager may amend the Sub-Fund's distribution policy with respect to the distributions out of capital or effectively out of capital of the Sub-Fund subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) .

Fees and expenses

The Sub-Fund employs a single management fee structure, with the Sub-Fund paying all of its fees, costs and expenses (and its due proportion of any costs and expenses of the Trust allocated to it) as a single flat fee (the "Management Fee"). Fees and expenses taken into account in determining the Management Fee include, but are not limited to, the Manager's fee, Trustee's fee, Registrar's fees, fees of the Service Agent, fees and expenses of the auditors, securities transaction fee, ordinary out-of-pocket expenses incurred by the Manager or the Trustee and costs and expenses of licensing the Index. The Management Fee does not include brokerage and transaction costs, fees and extraordinary items such as litigation expenses.

The ongoing charges of the Sub-Fund is equal to the amount of the Management Fee which is capped at a maximum of 0.15% per year of the Net Asset Value of the Sub-Fund and is accrued daily and calculated as at each Dealing Day. It is payable out of the Sub-Fund monthly in arrears in USD. Any increase or removal of the cap is subject to the prior approval of the SFC (to the extent required under applicable regulatory requirements) and one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) to Unitholders.

The Index

This section is a brief overview of the Index. It contains a summary of the principal features of the Index and is not a complete description of the Index. As of the date of this Prospectus, the summary of the Index in this section is accurate and consistent with the complete description of the Index. Complete information on the Index appears in the website identified below. Such information may change from time to time and details of the changes will appear on that website.

General information on FRNs and the Index

FRNs are securities whose coupons are linked to movements in short term interest rates. Like all Treasury securities, they are backed by the full faith and credit of the U.S. government and are exempt from state and local taxes. Each issued note has featured a 2-year final maturity. Each day, their coupon rate is reset off the auction yield for the most recent 3-month Treasury Bill, plus or minus a fixed spread determined at the securities' initial issuance. Since auctions for new 3-month Treasury Bills occur once a week, the coupon rate effectively changes weekly. Interest is accrued daily and distributed quarterly. On the issuance side, the Treasury has followed a fairly methodical approach. A new FRN is auctioned every quarter, with monthly re-openings between each new auction. This has led to a stable investor base with deep liquidity.

The Index of the Sub-Fund is Bloomberg Barclays US Treasury Floating Rate Bond Index. The Index is designed to measure the performance of FRNs. Unlike fixed-rate U.S. Treasury bonds, FRNs have interest rates that adjust periodically. FRNs' floating interest rates may be higher or lower than the interest rates of fixed-rate bonds of comparable quality with similar maturities. The floating coupon rates of the FRNs included in the Index are initially expected to reset weekly according to the result of the most recent 13-week T-bill auction, plus a spread, subject to a minimum net yield of zero percent. Because FRN floating coupon rates adjust weekly, the value of FRNs fluctuate much less than fixed-rate bonds in response to market interest rate movements. FRN values, however, will decline if their floating coupon rates do not rise as much, or as quickly, as interest rates in general.

The Index is rules-based and market capitalization weighted and comprised of FRNs with no minimum maturity that have a minimum amount outstanding of USD 250 million as of the monthly rebalancing date, which falls on the last U.S. business day of each month ("**Index Rebalancing Date**"). FRNs eligible for inclusion in the Index must have an issue date on or before the Index Rebalancing Date. Both the FRNs and the FRNs' coupon and principal payments must be denominated in U.S. dollars. FRNs pay interest rates quarterly until maturity.

The Index methodology was developed by Bloomberg Index Services Limited ("BISL"), an independent wholly owned subsidiary of Bloomberg L.P. The Manager (and each of its Connected Persons) is independent of the Index Provider. BISL provides benchmark and investable indices, portfolio analytics, risk and attribution models, and portfolio construction tools. BISL's products and services are used globally by asset management companies, insurance companies, pension funds, hedge funds, and other investors.

The Index is a total return market capitalisation weighted index. A total return index calculates the performance of the index constituents on the basis that any dividends or distributions are reinvested after the deduction of any withholding taxes that may apply. The Index is denominated and quoted in USD.

As at 16 December 2019, it comprised 8 constituent bonds with float market capitalisation of approximately USD 406.5 billion.

The index inception date is 1 February 2014, which coincides with the first bond issued under the floating rate program. Historical performance and characteristics are available from 31 January 2014.

Index methodology

Eligible securities

All FRNs meeting the below criteria are eligible for inclusion in the index:

- Amount Outstanding: 250 million
- Coupon Type: Floating
- Currency: USD
- Quality: No minimum credit quality.
- Maturity: No minimum maturity - FRNs remain Index-eligible until they mature.

Index Construction/Weighting

The weighting of the constituents in the Index is based on each constituent's relative market capitalisation to the total market capitalisation of the Index. Market capitalization is calculated by multiplying the FRNs' dirty price (meaning price plus accrued interest) by the current total amount outstanding.

Intra-month cash flows from interest and principal payments contribute to monthly index returns but are not reinvested at a short-term reinvestment rate between Index Rebalance Dates. At each Index Rebalance Date, cash is effectively reinvested into the Index constituents for the following month so that Index results over two or more months reflect monthly compounding. For Index purposes, securities are assumed to settle on a T+1 calendar day basis; on the last U.S. business day of each month, the securities settlement date is assumed to be the first U.S. business day of the following month even if the last U.S. business day is not the last calendar day of the month. The Index Rebalance Date is the last U.S. business day of each month. The returns reported for any given month reflect those values from, and on, actual Index Rebalance Dates as opposed to calendar dates.

Index calculation

The components of a security's total return are discussed below:

<u>Monthly Price Return</u>

The price return for a given period is derived from changes in security price during the course of the reporting period (due to factors such as interest rate changes or spread movements) and is expressed as a percentage of the security's beginning of period market value. A clean price that does not include accrued interest is used in the price return calculation, even for markets that are quoted on a dirty basis since changes in accrued interest are tracked separately as part of the coupon return.

$$Price\ Return = \frac{(Price_{Ending} - Price_{Beginning})}{(Price_{Beginning} + Accrued\ Interest_{Beginning})}$$

<u>Monthly Coupon Return</u>

The coupon return for a given period measures the interest income earned by a security, reflecting changes in accrued interest plus any interest paid during that period, divided by the dirty price of the security at the beginning of the period. Coupon return is calculated in the same manner for both fixed- and floating-rate securities.

$$Coupon\ Return = \frac{(Accrued\ Interest_{Ending} - Accrued\ Interest_{Beginning}) + Interest\ Payment}{(Price_{Beginning} + Accrued\ Interest_{Beginning})}$$

In the case of a default, the ending accrued interest value is set to zero, reversing out any accrual posted since the last coupon payment, and the security shows a negative coupon return. Bloomberg continues to price the security, and it continues to contribute to price return until month-end, at which time it is removed from the Index.

<u>Index Weight Calculations</u>

In addition to security-level returns, the second input required for index-level calculations is security-level weights, which are reset at each Index Rebalance Date and available with a variety of weighting options.

Central to the construction and calculation of Bloomberg Barclays flagship fixed income indices is a market value weighting design. The market value of each bond is set at the outset of each monthly index reporting period as of the previous month-end Index Rebalance Date. These "beginning" market values are used to derive static security-level weights for index level return aggregation until the next Index Rebalance Date. The market value used for each bond is the same across all market value weighted indices and their related sub-indices by sector, maturity, currency, etc.

$$Returns\ Universe\ Market\ Value\ \% = \frac{Security\ Market\ Value_{Beginning}}{\sum Security\ Market\ Value_{Beginning}}$$

Index Return Calculations and Aggregation

With security-level returns and weights, it is possible to calculate and publish aggregated index level returns and risk analytics. Benchmark index returns are reported over various periods, with daily levels, month-to-date return and year-to-date return available on the index provider's website. A wider range of performance data can also be found on Bloomberg via the index's Bloomberg ticker (BTFLTRUU). In addition, the near-real time indicative Net Asset Value per unit/share of the Sub-Fund is updated every 15 seconds during SEHK trading hours on the Sub-Fund's website.

Monthly Index Return Calculations

Bond level returns and weights are the inputs used to calculate published monthly index level returns. Local currency returns at the bond level will be consistent across Bloomberg Barclays Indices, but total returns will vary from index to index based on the base reporting currency and whether the index is currency hedged or unhedged. Bond index weights are index-specific based on the universe of eligible bonds.

$$Index\ Total\ Return_{MTD} = \sum (Bond\ Return_{MTD} * \ Bond\ Weight_{Beginning})$$

The Index is available in real time through Bloomberg (BTFLTRUU Index).

Index adjustments

Periodic review

BISL will review the indices (both rules of construction and data inputs) on a periodic basis, not less frequently than annually, to determine whether they continue to reasonably measure the intended underlying market interest, the economic and/or material changes to the applicable underlying market interests.

Ongoing review

Bloomberg has established a robust governance and audit structure in order to monitor, manage and/or improve the objectivity, reliability, consistency, transparency and management and implementation of the benchmark rules.

The Benchmark Oversight Committee (BOC) is the uppermost governance body and consists of senior representatives from various Bloomberg business units. Voting members of the BOC do not participate in the index business, including BISL. The BOC meets on a quarterly basis to review matters such as material risks, conflicts of interest, industry developments, client complaints and material index errors and restatements. To assist in its oversight, the BOC has constituted the Index Operating Subcommittee (IOS).

The IOS is composed of senior benchmark and strategy index managers designated by the BOC. Members include BISL and other Bloomberg personnel with significant index experience. The IOS meets on a monthly basis to address matters such as new index approvals, periodic review of existing indices, index pricing, management of errors and restatements, identification and management of actual and potential conflicts of interest, approvals of changes to indices and approvals of cessation of indices.

The IOS also coordinates with the Index Advisory Councils (IAC).

The IOS reports to the BOC on a quarterly basis on all matters delegated to it.

Index Advisory Council (IAC)

IACs are composed of key market participants and other influential individuals to assist BISL in setting index priorities, to discuss potential rules changes and to provide ideas for new products. IACs are generally constituted on an annual basis. While potential benchmark changes are discussed through this process, all feedback received is non-binding and all final decisions on benchmark index rules are made by the IOS (subject to BOC review) after the review period has ended.

Top 10 constituents of the Index

As at 25 March 2021, the 10 largest constituents of the Index (which accounted in aggregate for 100.00% the Index) were as follows:

Rank	Constituent Name	Country	Maturity Date	Coupon (%)	Rating	Weighting (%)
1	TF Float 10/31/22	US	10/31/2022	Floating	AAA	15.43
2	TF Float 07/31/22	US	7/31/2022	Floating	AAA	14.18
3	TF Float 04/30/22	US	4/30/2022	Floating	AAA	12.94
4	TF Float 01/31/22	US	1/31/2022	Floating	AAA	11.64
5	TF Float 04/30/21	US	4/30/2021	Floating	AAA	11.60
6	TF Float 07/31/21	US	7/31/2021	Floating	AAA	11.51
7	TF Float 10/31/21	US	10/31/2021	Floating	AAA	11.43
8	TF Float 01/31/23	US	01/31/2023	Floating	AAA	11.26
9	N/A	N/A	N/A	N/A	N/A	N/A
10	N/A	N/A	N/A	N/A	N/A	N/A

You can obtain the most updated list of the constituents of the Index and additional information of the Index from the website of the Index Provider at https://www.bloomberg.com/professional/product/indices/bloomberg-barclays-indices/#/ucits

Index Provider disclaimer

BLOOMBERG and the Bloomberg U.S. Treasury Floating Rate Bond Index are trademarks or service marks of Bloomberg Finance L.P. Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited, the administrator of the index (collectively, “Bloomberg”) or Bloomberg’s licensors own all proprietary rights in the Bloomberg U.S. Treasury Floating Rate Bond Index. Bloomberg does not guarantee the timeliness, accuracy or completeness of any data or information relating to the Bloomberg U.S. Treasury Floating Rate Bond Index. Bloomberg makes no warranty, express or implied, as to the Bloomberg U.S. Treasury Floating Rate Bond Index or any data or values relating thereto or results to be obtained therefrom, and expressly disclaims all warranties of merchantability and fitness for a particular purpose with respect thereto. To the maximum extent allowed by law, Bloomberg, its licensors, and its and their respective employees, contractors, agents, suppliers and vendors shall have no liability or responsibility whatsoever for any injury or damages—whether direct, indirect, consequential, incidental, punitive or otherwise—arising in connection with the Bloomberg U.S. Treasury Floating Rate Bond Index or any data or values relating thereto—whether arising from their negligence or otherwise. Nothing in the Bloomberg U.S. Treasury Floating Rate Bond Index shall constitute or be construed as an offering of financial instruments or as investment advice or investment recommendations (i.e., recommendations as to whether or not to "buy", "sell", "hold" or to enter or not to enter into any other transaction involving any specific interest or interests) by Bloomberg or its affiliates or a recommendation as to an investment or other strategy by Bloomberg or its affiliates. Data and other information available via the Bloomberg U.S. Treasury Floating Rate Bond Index should not be considered as information sufficient upon which to base an investment decision. Bloomberg and its affiliates do not express an opinion on the future or expected value of any security or other interest and do not explicitly or implicitly recommend or suggest an investment strategy of any kind.

Index licence agreement

The initial term of the licence of the Index commenced on 30 May 2019 and should continue until 29 May 2021 on which date the licence should be renewed for successive terms of 1 year unless either party to the licence agreement serves a written notice of termination of at least 120 days prior to the end of the then current term to the other party. The licence agreement may otherwise be terminated in accordance with the provisions of the licence agreement.

Appendix dated 7 April 2021

APPENDIX 6: PREMIA MSCI VIETNAM ETF

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.

Index	MSCI Vietnam Index (NTR)
Type of Index	Net Total Return
Initial Issue Date	17 July 2019 (the Business Day immediately before the Listing Date)
Listing Date (SEHK)	18 July 2019
Issue Price during the Initial Offer Period	USD10
Exchange Listing	SEHK – Main Board
Stock Code	09804 – USD counter 02804 – HKD counter
Trading Board Lot Size	50 Units – USD counter 50 Units – HKD counter
Base Currency	United States dollars (USD)
Trading Currency	United States dollars (USD) Hong Kong dollars (HKD)
Distribution Policy	The Manager intends to pay distributions to Unitholders at least annually (in July each year). All Units will receive distributions in the Base Currency (USD) only.* Distributions may be made out of capital or effectively out of capital as well as income at the Manager's discretion. Where distributions are made out of capital or effectively out of capital, this may result in an immediate reduction in the Net Asset Value per Unit
Creation/Redemption Policy	Cash (USD) only
Application Unit Size (only by or through Participating Dealers)	Minimum 20,000 Units (or multiples thereof)
Dealing Deadline	11:00 a.m. (Hong Kong time) on the relevant Dealing Day
Management Fee	Currently 0.75% per year of the Net Asset Value
Investment Strategy	Representative sampling. Please refer to the section on "What is the investment strategy?" below

Maximum Deviation from Index Weighting	3%
Ongoing Charges Over a Year**	Estimated to be 0.75%
Financial Year End	31 December
Listing Agent	Altus Capital Limited
Market Makers (USD Counter)	Flow Traders Hong Kong Limited
Market Makers (HKD Counter)	Flow Traders Hong Kong Limited
Participating Dealers	Canfield Securities Company Limited Cathay Securities (Hong Kong) Limited CCBI International Securities Limited China Merchants Securities (HK) Co. Limited Citigroup Global Markets Asia Limited Guotai Junan Securities (Hong Kong) Limited Goldman Sachs (Asia) Securities Limited Haitong International Securities Company Limited Merrill Lynch Far East Limited Yuanta Securities (Hong Kong) Company Limited
Service Agent	HK Conversion Agency Services Limited
Website	www.premia-partners.com

* *All Units will receive distributions in USD only. In the event that the relevant Unitholder has no USD account, the Unitholder may have to bear the fees and charges associated with the conversion of such dividend from USD into HKD or any other currency. Unitholders are advised to check with their brokers regarding arrangements for distributions and to consider the risk factor entitled "Foreign exchange and other currency distributions risk" below.*

** *As the Sub-Fund is newly set up, this figure is a best estimate only and represents the sum of the estimated ongoing charges expressed as a percentage of the estimated average Net Asset Value. It may be different upon actual operation of the Sub-Fund and may vary from year to year. The estimated ongoing charges do not represent the estimated tracking error. As the Sub-Fund adopts a single management fee structure as described in "Fees and expenses" below, the estimated ongoing charges of the Sub-Fund will be equal to the amount of the Management Fee which is a single management fee and is capped at a maximum of 0.75% of the average Net Asset Value of the Sub-Fund. Any ongoing expenses exceeding 0.75% of the average Net Asset Value of the Sub-Fund will be borne by the Manager and will not be charged to the Sub-Fund.*

What is the investment objective?

The investment objective of the Sub-Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the Index. There can be 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 an optimised representative sampling strategy by investing, directly or indirectly, in a representative sample of the Securities in the Index that collectively reflects the investment characteristics of the Index. The Sub-Fund may or may not hold all of the Securities that are included in the Index, and may hold Securities which are not included in the Index, provided that these collectively feature a high correlation with the Index. *7.42*

The Sub-Fund may invest up to 100% of its Net Asset Value directly in equity securities listed on the Ho Chi Minh and Hanoi Stock Exchanges of Vietnam.

The Sub-Fund may also invest in money market funds and in cash deposits for cash management purposes although such investments are not anticipated to exceed 5% of the Net Asset Value of the Sub-Fund.

The Sub-Fund may, in exceptional circumstances, invest up to 50% of the Sub-Fund's Net Asset Value in financial derivative instruments ("**FDIs**") for hedging and non-hedging (i.e. reducing tracking error) purposes. These include the use of structured products or instruments such as swaps and participatory notes ("**P-notes**") to acquire exposure to the performance of the Index when liquidity in the stock exchange market is low.

The Sub-Fund will fully fund all swaps and P-notes by paying cash to the relevant counterparty up to the full market value of the acquired exposure. Losses will be incurred by the Sub-Fund if a counterparty defaults or fails to perform its obligations under the relevant swap and P-note. In the event of any default by a counterparty or early termination of the relevant swap or P-note for any reason, the Net Asset Value of the Sub-Fund will be reduced by the full market value of the swap or P-note. Given aggregate exposure to FDI is capped at 10%, the maximum loss incurred by the Sub-Fund in the aforementioned scenarios will be limited to 10% of its Net Asset Value. Furthermore, exposure to any single counterparty will not exceed 10% of the Sub-Fund's Net Asset Value, by way of the 10% aggregate FDI limit.

To minimize the counterparty risks, the Manager selects FDI counterparties by performing a risk assessment based on the following selection criteria:

- Counterparties must have a paid-up capital of the equivalent of at least HK$150 million;
- Counterparties or their guarantor must be a Substantial Financial Institution subject to an on-going prudential and regulatory supervision;
- Counterparties or their guarantor must have a long-term debt credit rating of at least "A-" from Standard & Poor's or an equivalent rating given by other reputable rating agency of similar standing at all times; and
- Counterparties must be independent of the Manager.

All FDI counterparties are monitored on an on-going basis and reviewed at least once a year by the Manager to ensure they continue to meet our selection criteria.

Currently, the Manager has no intention to enter into Securities Lending Transactions, repurchase or Reverse Repurchase Transactions and other similar over-the-counter transactions. The Manager will seek the prior approval of the SFC (to the extent required under applicable regulatory requirements) and provide at least one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) before the Manager engages in any such investments.

Prior approval of the SFC (to the extent required under applicable regulatory requirements) will be sought and not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) will be given to the Unitholders in the event the Manager wishes to adopt an investment strategy other than a representative sampling strategy.

The investment strategy of the Sub-Fund is subject to the investment and borrowing restrictions set out in Part 1 of this Prospectus.

Notwithstanding the investment and borrowing restrictions set out in Part 1 of this Prospectus, the Sub-Fund shall not invest in units or shares of other collective investment schemes.

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.

Vietnam concentration and emerging market risk

Equity market risks

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.

Vietnam stock exchange risks

The Ho Chi Minh and Hanoi Stock Exchanges of Vietnam may have the right to suspend or limit trading in any security traded on the relevant exchange. The government or the regulators may also implement policies that may affect the financial markets. All these may have a negative impact on the Sub-Fund.

Vietnam concentration risk

The Sub-Fund's investment are concentrated in Vietnam, 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. The value of the Sub-Fund may also be more volatile than that of a fund having a more diverse portfolio of investments.

Emerging market risk

The performance of the Sub-Fund may be affected by political developments in Vietnam, changes in government policies and changes in regulatory requirements (such as the imposition of restrictions on foreign exchange or transfer of capital, and limitations on inward investments and securities trading). In addition, the regulatory framework and legal system in Vietnam may not provide the same degree of investor information or protection as would generally apply to more developed markets.

Investments in Vietnam may be less liquid and experience greater volatility than investments in more developed markets due to generally lower trading volumes, smaller market capitalisations of companies and potential settlement difficulties in Vietnam, which may adversely affect the value of the Sub-Fund.

The Index may have only a limited number of index constituents. The Index would be more easily affected by the price movements of any one index constituent than an index which has a larger number of index constituents, and the performance of the Sub-Fund is more dependent on and affected by the share prices of a limited number of issuers.

Risk associated with mid-capitalisation companies

The stock of mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

Foreign exchange risk and other currency distributions risk

Underlying investments of the Sub-Fund are primarily denominated in Vietnamese Dong, therefore foreign exchange risk exists between the Base Currency and the underlying investments currency. Also, the Sub-Fund's Base Currency is in USD but has Units traded in HKD (in addition to USD). The Net Asset Value 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. Secondary market investors may also be subject to additional costs or losses associated with fluctuations in the exchange rates between HKD and the Base Currency and by changes in exchange rate controls when trading Units in the secondary market.

Investors should note that all Units will receive distributions in the Base Currency (USD) only. In the event that the relevant Unitholder has no USD account, the Unitholder may have to bear the fees and charges associated with the conversion of such distribution from USD to HKD or any other currency. The Unitholder may also have to bear bank or financial institution fees and charges associated with the handling of the distribution payment. Unitholders are advised to check with their brokers regarding arrangements for distributions.

Distributions out of or effectively out of capital risk

The Manager may, at its discretion make distributions out of capital. The Manager may also, at its discretion, make distributions out of gross income while all or part of the fees and expenses of the Sub-Fund are charged to/paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of distributions by the Sub-Fund and therefore, the Sub-Fund may effectively pay distributions out of the capital. 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 distributions involving payment of distributions out of or effectively out of the Sub-Fund’s capital may result in an immediate reduction of the Net Asset Value per Unit. The Manager may amend its distribution policy subject to the SFC’s prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements).

Trading differences risk

As the stock exchanges on which the Index constituents are listed may be open when Units in the Sub-Fund are not priced, the value of the Securities in the Sub-Fund’s portfolio may change on days when investors will not be able to purchase or sell the Sub-Fund’s Units. Furthermore, the market price of underlying Securities listed on the above stock exchanges which are established outside Hong Kong may not be available during part or all of the SEHK trading sessions due to trading hour differences which may result in the trading price of the Sub-Fund deviating away from the Net Asset Value.

Shares listed on certain stock exchanges may be subject to trading bands which restrict increases and decreases in the trading price. Units listed on the SEHK are not. The prices quoted by the SEHK market maker would therefore be adjusted to take into account any accrued market risk that arises from such unavailability of the Index level and as a result, the level of premium or discount of the Unit price of the Sub-Fund to its Net Asset Value may be higher.

Risks of investing in FDIs

Risks associated with FDI include counterparty / credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. Exposure to FDI may lead to a higher risk of loss by the Sub-Fund. The Sub-Fund may suffer losses if a counterparty of the derivative contract defaults or fails to perform its obligations.

Vietnam Tax

It is the intention of the Sub-Fund that its business activities will not be carried out in Vietnam through a Permanent Establishment, defined as a fixed place of business through which a foreign enterprise carries out part or the whole of its business or production activities in Vietnam. Rather a securities investment account will be opened in Vietnam. Consequently, as a foreign investment fund established under the laws of a foreign country, the Sub-Fund should not be considered to be a resident of Vietnam for corporate income tax purpose and, therefore, the Sub-Fund should not be liable to Vietnamese corporate tax on income and gains derived from non-Vietnamese investments.

However, when investing in Vietnam securities listed on the stock market or over the counter market through a Vietnam securities investment account, the Sub-Fund will be subject to Corporate Income Tax ("CIT") on a "deemed taxation" basis as follows.

Dividends

No withholding tax on dividends or any other levy on the remittance of dividends overseas to foreign investors.

Capital gains

CIT is imposed on the gross value of securities sold on each transaction. This is a "deemed profits" tax, equivalent to 0.1% of the value of the sale transaction. No relief is allowed for transaction costs and no allowance is taken for the cost of investments (i.e. the earning of actual profits is irrelevant).

In case where taxes are applicable, CIT is withheld by the relevant securities company or commercial bank which remits the legal remaining income, to foreign investors for remittance offshore. Interest paid to the Sub-Fund over any deposit at accounts opened in Vietnam (if any) may also be subject to a 5% withholding tax under the Foreign Contractor Tax regulations. The Sub-Fund is not required to declare and pay Value Added Tax for securities dealing activities in Vietnam.

The offering phases

Dealings in the Units on the SEHK commenced on 18 July 2019.

The current Dealing Deadline After Listing is 11:00 a.m. (Hong Kong time) 1 Business Day prior to the relevant Dealing Day, or such other time as the Manager (with the approval of Trustee) may determine on any day when the trading hours of the SEHK are reduced.

All Creation Applications must be made in cash (in USD only). Settlement in cash for subscribing Units is due at the time specified in the Operating Guidelines on the relevant Dealing Day in accordance with the Operating Guidelines.

The attention of investors is drawn to the section entitled “The Offering Phases” in Part 1 of this Prospectus.

Multi-Counter

The Manager has arranged for the Units of the Sub-Fund to be available for trading on the secondary market on the SEHK under a Multi-Counter arrangement. Units are denominated in USD. The Sub-Fund offers 2 trading counters on the SEHK (i.e. HKD counter and USD counter) to investors for secondary trading purposes. Units traded in HKD counter will be settled in HKD and Units traded in USD counter will be settled in USD. Apart from settlement in different currencies, the trading prices of Units in the counters may be different as the different counters are distinct and separate markets.

Units traded on each counters are of the same class and all Unitholders of all counters are treated equally. The counters will have different stock codes (as set out in the section "Key Information" above), different stock short names and different ISIN numbers.

Normally, investors can buy and sell Units traded in the same counter or alternatively buy in one counter and sell in the other counter provided their brokers provide HKD and USD trading services at the same time and offer inter-counter transfer services to support Multi-Counter trading. Inter-counter buy and sell is permissible even if the trades take places within the same trading day. However, investors should note that the trading price of 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, including inter-counter transfers. Investors' attention is also drawn to the risk factor above entitled "Risks Associated with Multi-Counter".

Exchange Listing and Trading (Secondary Market)

General

Units traded in HKD and USD have been issued and listed on the SEHK.

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 Units on one or more other stock exchanges. Investors' attention is drawn to the section entitled "Exchange Listing and Trading (Secondary Market)" in Part 1 of this Prospectus for further information.

Dealings on the SEHK in Units traded in HKD and USD began on 18 July 2019. Units are traded on the SEHK in board lots of 50 Units.

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

Redemptions

Units can be redeemed directly (through a Participating Dealer). Redemption proceeds shall be paid in USD only, notwithstanding a Multi-counter being adopted for the Sub-Fund.

Distribution policy

The Manager intends to declare and distribute net dividends to Unitholders at least annually (in July each year). The Manager will make an announcement prior to any distribution in respect of the relevant distribution amount in USD only. Distributions may be made out of capital as well as income at the Manager's discretion. The Manager may also, at its discretion, pay dividend out of gross income while all or part of the fees and expenses of the Sub-Fund are charged to/paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and therefore, the Sub-Fund may effectively pay dividend out of capital.

The Manager may amend the policy with respect to distribution out of capital or effectively out of capital subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) to investors.

Each Unitholder will receive distributions in USD only. Unitholders without USD accounts may have to bear the fees and charges associated with the conversion of such dividend from USD into HKD or any other currency. Unitholders are advised to check with their brokers regarding arrangements for distributions.

Distribution payment rates in respect of Units will depend on factors beyond the control of the Manager or Trustee including, general economic conditions, and the financial position and dividend or distribution policies of the relevant underlying entities. There can be no assurance that such entities will declare or pay dividends or distributions.

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 distributions involving payment out of or effectively out of the Sub-Fund's capital may result in an immediate reduction in the Net Asset Value per Unit.

The composition of distributions payable on Units (i.e. the relative amounts of distributions paid and the percentages of dividends out of (i) net distributable income and (ii) capital), if any, for the last 12 months are available from the Manager on request and are also published on the website www.premia-partners.com. The Manager may amend the Sub-Fund's distribution policy with respect to the distributions out of capital or effectively out of capital of the Sub-Fund subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) .

Fees and expenses

The Sub-Fund employs a single management fee structure, with the Sub-Fund paying all of its fees, costs and expenses (and its due proportion of any costs and expenses of the Trust allocated to it) as a single flat fee (the "**Management Fee**"). Fees and expenses taken into account in determining the Management Fee include, but are not limited to, the Manager's fee, Trustee's fee, Registrar's fees, fees of the Service Agent, fees and expenses of the auditors, securities transaction fee, ordinary out-of-pocket expenses incurred by the Manager or the Trustee and costs and expenses of licensing the Index. The Management Fee does not include brokerage and transaction costs, fees and extraordinary items such as litigation expenses.

The ongoing charges of the Sub-Fund is equal to the amount of the Management Fee which is capped at a maximum of 0.75% per year of the Net Asset Value of the Sub-Fund and is accrued daily and calculated as at each Dealing Day. It is payable out of the Sub-Fund monthly in arrears in USD. Any increase or removal of the cap is subject to the prior approval of the SFC (to the extent required under applicable regulatory requirements) and one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements).

The Index

This section is a brief overview of the Index. It contains a summary of the principal features of the Index and is not a complete description of the Index. As of the date of this Prospectus, the summary of the Index in this section is accurate and consistent with the complete description of the Index. Complete information on the Index appears in the website identified below. Such information may change from time to time and details of the changes will appear on that website.

General information on the Index

The Index of the Sub-Fund is MSCI Vietnam Index (NTR). The Index is designed to measure the performance of the large and mid cap segments of the Vietnamese market. With 16 constituents as of 28 February 2019, the Index covers approximately 85% of the Vietnam equity universe. The Index methodology was developed by MSCI Inc. ("MSCI" or the "Index Provider").

MSCI is a provider of investment decision support tools to investors globally. MSCI products and services include indices, portfolio risk and performance analytics, and governance tools. The Manager (and each its Connected Persons) is independent of the Index Provider.

Premia Partners has entered into a license agreement with the Index Provider to use the Underlying Index. Premia Partners sublicenses rights in the Underlying Index to the Fund at no charge.

The Index is a net total return float-adjusted market capitalisation index. A net total return index calculates the performance of the index constituents on the basis that any dividends or distributions are reinvested after the deduction of any withholding taxes that may apply. The Index is denominated and quoted in USD.

As at 16 December 2019, it comprised 16 constituent stocks with float market capitalisation of approximately USD18.73 billion.

The Index was launched on 18 December 2007 with a back dated base level of 100 as of 30 November 2006.

Index methodology

The index construction and maintenance of the Index is governed by the MSCI Global Investable Market Indexes (GIMI) methodology, which is regularly updated and is available on MSCI's website at www.msci.com.

Eligible securities

The selection universe of the Index includes listed equity securities on the following stock exchanges:

- Ho Chi Minh Stock Exchange;
- Hanoi Stock Exchange

Selection criteria

The potential inclusion of companies in the MSCI Global Investable Market Indexes is solely governed by the relevant index maintenance methodology. As described in the MSCI GIMI methodology book, in order for a company to qualify for inclusion into the MSCI GIMI it needs to meet all necessary criteria in terms of full company market capitalization, free float-adjusted market capitalization and liquidity requirements. Details on the methodology rules can be found in the MSCI GIMI Methodology book.

Index calculation

Daily Total Return (DTR) Index calculation:

$$DTRIndexLevelUSD_t = DTRIndexLevelUSD_{t-1} \frac{(IndexAdjustedMarketCapUSD_t + IndexDividendImpactUSD_t)}{IndexInitialMarketCapUSD_t}$$

$$DTRIndexLevelLocal_t$$

$$= DTRIndexLevelLocal_{t-1} \frac{(IndexAdjustedMarketCapForLocal_t + IndexDividendImpactForLocal_t)}{IndexInitialMarketCapForLocal_t}$$

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
- *IndexDividend ImpactForLocal*$_t$ 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

Index adjustments

Periodic review

The composition of the Index is reviewed at Semi-Annual Index Reviews ("SAIRs") in May and November and at Quarterly Index Reviews ("QIRs") in February and August. The objective of the SAIRs is to systematically reassess the various dimensions of the equity universe for all markets on a fixed semi-annual timetable while QIRs aim to reflect significant market driven changes that were not captured in the Index at the time of their actual occurrence but are significant enough to be reflected before the next SAIR.

During SAIRs, the equity universe is updated and the global minimum size range, which is used to determine the market size-segment cutoff, is recalculated for each size-segment.

Ongoing review

Ongoing event-related changes to the indexes which may be a result of mergers, acquisitions, spin-offs, bankruptcies, reorganizations and other similar corporate events, are generally implemented in the Index as they occur. Significant IPOs that meet the requirements for early inclusion are generally included in the Index after the close of the company’s tenth day of trading. The technical details relating to the handling of specific corporate event types can be found in the MSCI Corporate Events Methodology book available at: https://www.msci.com/index-methodology.

Top 10 constituents of the Index

As at 25 March 2021, the 10 largest constituents of the Index (which accounted in aggregate for 92.10% of the Index) were as follows:

Rank	Constituent Name	Exchange	Weighting (%)
1.	Vingroup JSC	Vietnam	17.95
2.	Vinhomes JSC	Vietnam	15.57
3.	Hoa Phat Group JSC	Vietnam	14.05
4.	Vietnam Dairy Products JSC	Vietnam	13.85

5.	Masan Group Corp	Vietnam	7.77
6.	Bank for Foreign Trade of Vietnam JSC	Vietnam	6.78
7.	Vincom Retail JSC	Vietnam	5.88
8.	No Va Land Investment Group Corp	Vietnam	4.09
9.	Vietjet Aviation JSC	Vietnam	4.00
10.	Saigon Beer Alcohol Beverage Corp	Vietnam	2.16

You can obtain the most updated list of the constituents of the Index and performance data of the Index from the website of the Index Provider at www.msci.com/constituents and https://www.msci.com/end-of-day-data-search.

Index Provider disclaimer

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No purchaser, seller or holder of this security, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.

Index licence agreement

The initial term of the licence of the Index commenced on 2 May 2019 and should continue until 1 May 2022 on which date the licence should be renewed for successive terms of 1 year unless either party to the licence agreement serves a written notice of termination of at least 90 days prior to the end of the then current term to the other party. The licence agreement may otherwise be terminated in accordance with the provisions of the licence agreement.

Appendix dated 7 April 2021

APPENDIX 7: PREMIA CHINA TREASURY AND POLICY BANK BOND LONG DURATION ETF

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.

Index	ICE 10+ Year China Government & Policy Bank Index
Type of Index	The Index is a total return, free float adjusted market capitalization weighted index. The Index, being a total return index, calculates the performance of the index constituents on the basis that any dividends or distributions are reinvested. Upon monthly rebalancing, all Index constituents and cash positions from coupons received during the month are consolidated and reweighted by market capitalization so cash is effectively reinvested and no cash position remains post rebalancing.
Initial Issue Date	13 April 2021 (the Business Day immediately before the Listing Date)
Initial Offer Period	7 April – 12 April 2021
Listing Date (SEHK)	14 April 2021
Issue Price during the Initial Offer Period	RMB100
Exchange Listing	SEHK – Main Board
Stock Code	In respect of the Distributing Unit Class : 82817 – RMB counter 02817 – HKD counter 09817 – USD counter
Stock Short Name	PP CGOVT BOND-U – USD counter PP CGOVT BOND – HKD counter PP CGOVT BOND-R – RMB counter
Trading Board Lot Size	In respect of the Distributing Unit Class : 20 Units – RMB counter 20 Units – HKD counter 20 Units – USD counter
Base Currency	Renminbi (RMB)
Trading Currency	In respect of the Distributing Unit Class : Renminbi (RMB) Hong Kong dollars (HKD) United States dollars (USD)

Distribution Policy	The Manager intends to pay distributions to Unitholders semi-annually (in January and July each year) at its discretion. All Units (whether USD, HKD or RMB traded) will receive distributions in the Base Currency (RMB) only.* Distributions may be made out of capital or effectively out of capital as well as income at the Manager's discretion. Where distributions are made out of capital (including where the Sub-Fund pays dividend out of gross income and charges/pays all or part of the fees and expenses to/out of capital, where appropriate) or effectively out of capital, this may result in an immediate reduction in the Net Asset Value per Unit. There are currently no Accumulating Unit Classes launched for this Sub-Fund.
Creation/Redemption Policy **(for the Distributing Unit Class)**	Cash (RMB)
Application Unit Size (only by or through Participating Dealers) (for Distributing Unit Class)	Minimum 50,000 Units (or multiples thereof)
Dealing Deadline	After Listing: 2:00 p.m. (Hong Kong time) on the relevant Dealing Day
Management Fee (for the Distributing Unit Class)	Currently 0.28% per year of the Net Asset Value of the Distributing Unit Class
Investment Strategy	Representative sampling. Please refer to the section on "What is the investment strategy?" below
Ongoing Charges Over a Year**	Estimated to be 0.28%
Financial Year End	31 December
Listing Agent	Altus Capital Limited
Market Makers (USD Counter) (for the Distributing Unit Class)	Flow Traders Hong Kong Limited
Market Makers (HKD Counter) (for the Distributing Unit Class)	Flow Traders Hong Kong Limited
Market Makers (RMB Counter) (for the Distributing Unit Class)	Flow Traders Hong Kong Limited
Participating Dealers (for the Distributing Unit Class)	Goldman Sachs (Asia) Securities Limited Haitong International Securities Company Limited Korea Investment & Securities Asia Limited Mirae Asset Securities (HK) Limited
Service Agent	HK Conversion Agency Services Limited

Website	www.premia-partners.com

* *All Units will receive distributions in RMB only. In the event that the relevant Unitholder has no RMB account, the Unitholder may have to bear the fees and charges associated with the conversion of such dividend from RMB into HKD or any other currency. Unitholders are advised to check with their brokers regarding arrangements for distributions and to consider the risk factor entitled "Foreign exchange and other currency distributions risk" below.*

** *As the Sub-Fund is newly set up, this figure is a best estimate only and represents the sum of the estimated ongoing charges over a 12 month period expressed as a percentage of the estimated average Net Asset Value over the same period. It may be different upon actual operation of the Sub-Fund and may vary from year to year. The estimated ongoing charges do not represent the estimated tracking error. As the Sub-Fund adopts a single management fee structure as described in "Fees and expenses" below, the estimated ongoing charges of the Sub-Fund will be equal to the amount of the Management Fee which is a single management fee and is capped at a maximum of 0.28% of the average Net Asset Value of the Sub-Fund. Any ongoing expenses exceeding 0.28% of the average Net Asset Value of the Sub-Fund will be borne by the Manager and will not be charged to the Sub-Fund.*

What is the investment objective?

The investment objective of the Sub-Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the Index. There can be 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 an optimised representative sampling strategy by investing directly in a representative sample of the RMB denominated and settled bonds issued by the Government of China, the China Development Bank, the Agricultural Development Bank of China or the Export-Import Bank of China and distributed within the PRC (the "**Treasury and Policy Bank Bonds**") that collectively reflects the investment characteristics of the Index. The Sub-Fund may or may not hold all of the Treasury and Policy Bank Bonds that are included in the Index, and may hold Treasury and Policy Bank Bonds which are not included in the Index, provided that these bonds collectively feature a high correlation with the Index.

The Sub-Fund may invest up to 100% of its Net Asset Value directly in Treasury and Policy Bank Bonds, included or not included, in the Index through the initiative for mutual bond market access between Hong Kong and Mainland China ("**Bond Connect**") only.

The credit rating of the Government of China, the China Development Bank, the Agricultural Development Bank of China and the Export-Import Bank of China as the issuers of Treasury and Policy Bank Bonds are A+ by Standard & Poor's and A1 by Moody's. As the Index comprises only Treasury and Policy Bank Bonds, there is no credit rating requirement for inclusion in the Index.

Other than the Treasury and Policy Bank Bonds, the Sub-Fund may also invest in offshore RMB money market funds that are either authorised by the SFC or eligible schemes as determined by the SFC or RMB cash deposits for cash management purposes, although such investments are not anticipated to exceed 5% of the Net Asset Value of the Sub-Fund.

There is no current intention for the Sub-Fund to (i) engage in sale and repurchase transactions, reverse repurchase transactions and/or other similar over-the-counter transactions or (ii) invest in any financial derivative instruments for hedging or non-hedging (i.e. investment) purposes, urban investment bonds, structured products or instruments, structured deposits, asset backed securities, asset backed commercial papers and mortgage backed securities.

Securities Lending Transactions

The Manager may, on behalf of the Sub-Fund, enter into securities lending transactions with a maximum level of up to 50% and expected level of approximately 25% of the Sub-Fund's Net Asset Value. The Manager will be able to 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. Such transactions may be terminated at any time by the Manager at its absolute discretion. Please refer to the sub-section titled “Securities Lending” of the section headed “Investment Objective, Strategy And Restrictions, Securities Lending And Borrowing” in Part 1 of this Prospectus in regard to the details of the arrangements.

As part of the securities lending transactions, the Sub-Fund must receive cash and/or non-cash collateral (fulfilling the requirements under sub-section titled “Collateral” of the section headed “Investment Objective, Strategy And Restrictions, Securities Lending And Borrowing” in Part 1 of this Prospectus) of 100% of the global valuation of the securities lent (interests, dividends and other eventual rights included). The collateral will be marked-to-market on a daily basis and be subject to safekeeping by the Trustee or an agent appointed by the Trustee. Please refer to the sub-section titled “The Trustee and Registrar” of the section headed “Management Of The Trust And Sub-Funds” in Part 1 of this Prospectus in regard to the extent of the Trustee’s responsibility for the safekeeping of the assets of the Trust and the appointment of agents. The valuation of the collateral generally takes place on trading day T. If the value of the collateral falls below 100% of the value of the securities lent on any trading day T, the Manager will call for additional collateral on trading day T, and the borrower will have to deliver additional collateral to make up for the difference in securities value by 4:00 p.m. on trading day T+2.

Non-cash collateral received may not be sold, re-invested or pledged. Any re-investment of cash collateral received shall be subject to the requirements as set out in the sub-section titled “Collateral” of the section headed “Investment Objective, Strategy And Restrictions, Securities Lending And Borrowing” in Part 1 of this Prospectus.

To the extent the Sub-Fund undertakes securities lending transactions, all revenues (net of direct and indirect expenses as reasonable and normal compensation for the services rendered by the Manager, a Securities Lending Agent and/or other service providers in the context of such transactions to the extent permitted by applicable legal and regulatory requirements) shall be returned to the Sub-Fund. The cost relating to securities lending transactions will be borne by the borrower. Securities lending transactions nonetheless give rise to certain risks including counterparty risk, collateral risk and operational risk. Please refer to the risk factors below for further details.

The investment strategy of the Sub-Fund is subject to the investment and borrowing restrictions set out in Part 1 of this Prospectus.

Notwithstanding the investment and borrowing restrictions set out in Part 1 of this Prospectus, the Sub-Fund shall not invest in units or shares of other collective investment schemes, with the exception of offshore RMB money market funds that are either authorised by the SFC or eligible schemes as determined by the SFC

The Sub-Fund is currently available in distributing unit class (in RMB, USD and HKD counters) (“**Distributing Unit Class**”) only, and available for trading in the SEHK – Main Board. The Distributing Unit Class (whether USD, HKD or RMB traded) pays distributions to Unitholders of this unit class in RMB only (which may be made out of capital or effectively out of capital as well as income) at the Directors’ discretion.

Investment Adviser

The Manager has appointed BOCHK Asset Management Limited (the “**Investment Adviser**”) as its Investment Adviser of the Sub-Fund pursuant to an investment advisory agreement entered into between the Manager and the Investment Adviser. The Investment Adviser will be an integral part of the overall investment process, with particular focus on advising the Manager on the investment research, security selection and analysis subject to the control and review of the Manager, as well as facilitating the implementation through mobilising its group-wide capabilities in Hong Kong and the Mainland for China onshore bonds. The Investment Adviser is an asset management company incorporated in Hong Kong. The Investment Adviser is registered as a licensed corporation by the SFC in Hong Kong to carry out dealing in securities (Type 1), advising on securities (Type 4) and asset management (Type 9). The Investment Adviser provides professional investment management and advisory services to unit trusts, institutional clients as well as high net worth private individuals. Directors and senior management of the Investment Adviser are reputable and experienced investment professionals with in-depth international financial market knowledge.

The Investment Adviser was established in 2010 as a wholly owned subsidiary of BOC Hong Kong (Holdings) Limited. It is committed to providing retail and institutional investors with a range of Fixed income, Equity and Alternative Investments products such as private equity and real estate investments, coupled with comprehensive investment solutions that best suit their risk tolerance and return requirements. In addition, it manages investment funds and discretionary investment portfolios tailored to clients' needs, helping to maximise their potential returns.

The fees of the Investment Adviser, if any, will be paid by the Manager out of the Management Fee.

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.

Concentration / PRC market risks

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

PRC Sovereign Debt risks

The Sub-Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks and may not be able or willing to repay the principal and/or interest when due or may request the Sub-Fund to participate in restructuring such debts. The Sub-Fund may suffer significant losses when there is a default of sovereign debt issuers. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest arrearage on their debt. The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on a PRC governmental entity's implementation of economic reforms and/or economic performance and the timely service of such debtor's obligations. Failure to implement such reforms, achieve such levels of economic performance or repay principal or interest when due may result in the cancellation of such third parties' commitments to lend funds to the governmental entity, which may further impair such debtor's ability or willingness to service its debt on a timely basis. Consequently, PRC governmental entities may default on their sovereign debt. Holders of sovereign debt, including the Sub-Fund, may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities. As at the date of this Prospectus, there is no bankruptcy proceeding by which sovereign debt on which a PRC governmental entity has defaulted may be collected in whole or in part. The Sub-Fund's recourse against a defaulting sovereign (the PRC government) is limited.

The credit rating of China Treasury Bonds, Policy Bank Bonds or the PRC government may be at risk of being downgraded. In the event of such downgrading, the value of the Sub-Fund may be adversely affected. The Manager may or may not be able to dispose of the debt instruments that are being downgraded.

PRC inter-bank bond market risks

Market volatility and potential lack of liquidity due to low trading volume of certain debt securities in the PRC inter-bank bond market may result in prices of certain debt securities traded on such market fluctuating significantly. The Sub-Fund is therefore subject to liquidity and volatility risks. The bid and offer spreads of the prices of such securities may be large, and the Sub-Fund may therefore incur significant trading and realisation costs and may even suffer losses when selling such investments.

The Sub-Fund is also exposed to risks associated with settlement procedures and default of counterparties. The counterparty which has entered into a transaction with the Sub-Fund may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value. Investing in the PRC Inter-bank bond market via Bond Connect is subject to regulatory risks and various risks such as volatility risk, liquidity risk, settlement and counterparty risk as well as other risk factors typically applicable to debt securities. The relevant rules and regulations on investment in the PRC inter-bank bond market are subject to change which may have potential retrospective effect. In the event that the relevant Mainland Chinese authorities suspend account opening or trading on the PRC inter-bank bond market, the Sub-Fund's ability to invest in the PRC inter-bank bond market will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective will be negatively affected.

For investments via Bond Connect, the relevant filings, registration with PBOC and account opening have to be carried out via an onshore settlement agent, offshore custody agent, registration agent or other third parties (as the case may be). As such, the Sub-Fund is subject to the risks of default or errors on the part of such third parties.

Risks associated with Bond Connect

The relevant rules and regulations on Bond Connect are subject to change which may have potential retrospective effect. Where a suspension in the trading through Bond Connect is effected, the Sub-Fund's ability to invest in Treasury Bonds and Policy Bank Bonds or access the PRC market through the programme will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective will be negatively affected and may suspend or extend settlement of creation and redemptions.

Volatility risk

The debt securities in the PRC market may be subject to higher volatility and lower liquidity compared to more developed markets. The prices of securities traded in such markets may be subject to fluctuations. The bid and offer spreads of the price of such securities may be large and the fund may incur significant trading costs.

Liquidity risks

Liquidity risk exists when a particular investment is difficult to purchase or sell. If the Sub-Fund invests in illiquid securities or the current market become illiquid, it may reduce the returns of the Sub-Fund because the Sub-Fund cannot sell the illiquid securities at an advantageous time or price. The cost of dealing may be high in such illiquid markets. A disruption in the asset allocation in the Sub-Fund is also possible if underlying securities cannot be purchased or sold. The Sub-Fund is subject to liquidity risk as continued regular trading activity and active secondary market for treasury bonds is not guaranteed. The Sub-Fund may suffer losses in trading such instruments. The bid and offer spread of the price of bonds may be large, so the Sub-Fund may incur significant trading and realisation costs and may suffer losses accordingly. As such, there can be no assurance that investors will be able to dispose of their Units at prices in the amounts and at the times at which they would wish to or which they may otherwise be able to do in respect of other HKD denominated securities listed on the SEHK.

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 fund. Although offshore RMB (CNH) and onshore RMB (CNY) are the same currency, they trade at different rates. Any divergence between CNH and CNY may adversely impact investors. Under exceptional circumstances, payment of redemptions and/or dividend payment in RMB may be delayed due to the exchange controls and restrictions applicable to RMB.

Valuation risk

Valuation of the fund's instruments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the Net Asset Value of the Sub-Fund.

Interest rate risk

Interest rate risk is the risk that the value of the Sub-Fund's portfolio will decline because of rising interest rates. Interest rate risk is generally lower for shorter term fixed income investments and higher for longer term fixed income investments.

As the Sub-Fund invests in Treasury Bonds and Policy Bank Bonds, the Sub-Fund is additionally subject to policy risk as changes in macro-economic policies in the PRC (including monetary policy and fiscal policy) may have an influence over the PRC's capital markets and affect the pricing of the bonds in the Sub-Fund's portfolio, which may in turn adversely affect the return of the Sub-Fund. Falling market interest rates can lead to a decline in income for the Sub-Fund. Funds with higher durations generally are subject to greater interest rate risk.

Credit rating and downgrading risk

Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times. The credit rating of a debt instrument or its issuer may subsequently be downgraded. In the event of such downgrading, the value of the Sub-Fund may be adversely affected. The Manager may or may not be able to dispose of the debt instruments that are being downgraded. There is no assurance that the Treasury Bonds and Policy Bank Bonds invested by the Sub-Fund or the issuer of the Treasury Bonds and Policy Bank Bonds will continue to have an investment grade rating or continue to be rated.

Issuer Risk

Investment in bonds issued by the entities that are regarded as having the same credit quality or rating as the PRC sovereign credit by the Sub-Fund is exposed to the credit/insolvency risk of the issuers which may be unable or unwilling to make timely payments on principal and/or interest. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security or its issuer may also affect the security's liquidity, making it more difficult to sell. In general, debt instruments that have a lower credit rating or that are unrated will be more susceptible to the credit risk of the issuers. In the event of a default or credit rating downgrading of the issuers of the bonds, the bonds and the Sub-Fund's value will be adversely affected and investors may suffer a substantial loss as a result.

The Sub-Fund may also encounter difficulties or delays in enforcing its rights against the issuer of these bonds as the issuer is incorporated outside Hong Kong and subject to foreign laws.

Treasury Bonds and Policy Bank Bonds are offered on an unsecured basis without collateral, and will rank equally with other unsecured debts of the relevant issuer (the PRC government). As a result, if the issuer becomes bankrupt, proceeds from the liquidation of the issuer's assets will be paid to holders of Treasury Bonds or Policy Bank Bonds (as the case may be) only after all secured claims have been satisfied in full. The Sub-Fund will be fully exposed to the credit/insolvency risk of its Treasury Bond or Policy Bank Bond issuer counterparties as an unsecured creditor.

Illiquidity of Bonds Close to Maturity Risk

The Sub-Fund's underlying fixed income securities may become more illiquid when nearing maturity. It therefore may be more difficult to achieve fair valuation in the market.

Foreign exchange, other Currency Distribution and distributions out of or effectively out of capital risk

All Units will receive distributions in the Base Currency (RMB) only. In the event that the relevant Unitholder has no RMB account, the Unitholder may have to bear the fees and charges associated with the conversion of such distribution from RMB to HKD or any other currency. The Unitholder may also have to bear bank or financial institution fees and charges associated with the handling of the distribution payment.

The Sub-Fund's Base Currency is in RMB but has Units traded in HKD and USD (in addition to RMB). Secondary market investors may be subject to additional costs or losses associated with fluctuations in the exchange rates between HKD/USD and the Base Currency and by changes in exchange rate controls when trading Units in the secondary market.

Investors should note that all Units of the Distributing Unit Class will receive distributions in the Base Currency (RMB) only. In the event that the relevant Unitholder has no RMB account, the Unitholder may have to bear the fees and charges associated with the conversion of such distribution from RMB to HKD/USD or any other currency. The relevant Unitholder may also have to bear bank or financial institution fees and charges associated with the handling of the distribution payment. Relevant unitholders are advised to check with their brokers regarding arrangements for distributions.

In respect of the Distributing Unit Class, the Manager may, at its discretion make distributions out of capital. The Manager may also, at its discretion, make distributions out of gross income while all or part of the fees and expenses of the Distributing Unit Class of the Sub-Fund are charged to/paid out of the capital of the Distributing Unit Class of the Sub-Fund, resulting in an increase in distributable income for the payment of distributions by the Distributing Unit Class of the Sub-Fund and therefore, the Distributing Unit Class of the Sub-Fund may effectively pay distributions out of the capital. 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 distributions involving payment of distributions out of or effectively out of Distributing Unit Class of the Sub-Fund's capital may result in an immediate reduction of the Net Asset Value per Unit of the Distributing Unit Class. The Manager may amend its distribution policy subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) to Unitholders.

Operational and settlement risk

To the extent that the Sub-Fund transacts in the inter-bank bond market in the PRC, the Sub-Fund may also be exposed to risks associated with settlement procedures and default of counterparties. If a counterparty defaults in delivering the securities, the trade may be cancelled and this may adversely affect the value of the Sub-Fund. Any transaction via exchange markets may also be subject to settlement delays.

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.

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.

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.

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.

Trading risks

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 Net Asset Value.

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 units in the RMB counter are RMB denominated securities traded on the SEHK and settled in CCASS. Not all stockbrokers or custodians may be ready and able to carry out trading and settlement of the RMB traded units. The limited availability of RMB outside the PRC may also affect the liquidity and trading price of the RMB traded units.

Trading hours differences risk

As the trading platforms on which the Index constituents are traded may be open when Units in the Sub-Fund are not priced, the value of the securities in the Sub-Fund's portfolio may change on days when investors will not be able to purchase or sell the Sub-Fund's Units. Furthermore, the market price of underlying securities traded on the above trading platforms which are established outside Hong Kong may not be available during part or all of the SEHK trading sessions due to trading hour differences which may result in the trading price of the Sub-Fund deviating away from the Net Asset Value. Shares traded on certain trading platforms may be subject to trading bands which restrict increases and decreases in the trading price. Units traded on the SEHK are not. The prices quoted by the SEHK market maker would therefore be adjusted to take into account any accrued market risk that arises from such unavailability of the Index level and as a result, the level of premium or discount of the Unit price of the Sub-Fund to its Net Asset Value may be higher.

Income risk

The Sub-Fund's income may decline when interest rates fall. This decline can occur because the debt instruments held by the Sub-Fund will have floating, or variable, interest rates.

RMB Trading and Settlement of Units Risk

The trading and settlement of RMB denominated securities are recent developments in Hong Kong and there is no assurance that there will not be problem with the systems or that other logistical problems will not arise. The trading and settlement of the RMB traded Units may not be capable of being implemented as envisaged. Investors should note that not all brokers may be ready and able to carry out trading and settlement of RMB traded Units and thus they may not be able to deal in the RMB traded Units through some brokers. Investors should check with their brokers in advance if they intend to engage multi-counter trading or in inter-counter transfers and should fully understand the services which the relevant broker is able to provide (as well as any associated fees). Some exchange participants may not provide inter-counter transfer or multi-counter trading services.

PRC Taxation Risk

There are also risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of capital gains realised on the Sub-Fund's investments in PRC bonds (which may have retrospective effect). It should also be noted that there is a possibility of the PRC tax rules, regulations and practice being changed and taxes being applied retrospectively. There is a risk that taxes may be levied in future on the Sub-Fund for which no provision is made, which may potentially cause substantial loss to the Sub-Fund.

There is no provision made on the gross unrealised and realised capital gains derived from disposal of PRC Securities. In the event that actual tax is collected by the State Administration of Taxation and the Sub-Fund is required to make payments reflecting tax liabilities for which no provision has been made, the Net Asset Value of the Sub-Fund may be adversely affected as the Sub-Fund will ultimately have to bear the full amount of tax liabilities. In this case, the tax liabilities will only impact Units in issue at the relevant time, and the then existing Unitholders and subsequent Unitholders will be disadvantaged as such Unitholders will bear, through the Sub-Fund, a disproportionately higher amount of tax liabilities as compared to that borne at the time of investment in the Sub-Fund.

The offering phases

Initial Offer Period

The current Dealing Deadline during the Initial Offer Period is 11:00 a.m. (Hong Kong time) 2 Business Days prior to the Listing Day, or such other time as the Manager (with the approval of Trustee) may determine on any day when the trading hours of the SEHK are reduced. Please see "Summary of timetable" below.

The Issue Price of Units which is the subject of a Creation Application during the Initial Offer Period is RMB100, or such other amount determined by the Manager with the approval of the Trustee prior to the Initial Offer Period. All Creation Applications must be made in cash (in RMB only).

After Listing

Dealings in the Units on the SEHK are expected to commence on 14 April 2021 but may be postponed by the Manager to a date no later than 9 May 2021.

The current Dealing Deadline After Listing is 2:00 p.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager (with the approval of Trustee) may determine on any day when the trading hours of the SEHK are reduced.

All Creation Applications may be made in cash (in RMB only) or in-kind. Settlement in cash for subscribing Units is due at the time specified in the Operating Guidelines on the relevant Dealing Day in accordance with the Operating Guidelines.

The attention of investors is drawn to the section entitled "The Offering Phases" in Part 1 of this Prospectus.

Summary of timetable

The following table summarises all key events and the Manager's expected timetable:

Initial Offer Period commences • Participating Dealers may apply for cash creation for themselves or for their clients in a minimum number of 50,000 Units (or multiples thereof)	• 9:00 a.m. (Hong Kong time) on 7 April 2021 or such other date or time as the Manager may determine
The date that is 2 Business Days prior to the Listing Date • Latest time for cash Creation Applications by Participating Dealers for Units to be available for trading on the Listing Date	• 11:00 a.m. (Hong Kong time) on 12 April 2021 or such other date or time as the Manager may determine
After Listing (period commences on the Listing Date) • All investors may start trading Units on the SEHK through any designated brokers; and • Participating Dealers may apply for cash creation and cash redemption (for themselves or for their clients) in a minimum number of 50,000 Units (or multiples thereof) continually	• Commence at 9:30 a.m. (Hong Kong time) on 14 April 2021, but may be postponed by the Manager to a date no later than 9 May 2021 • Until 2:00 p.m. (Hong Kong time) on each Dealing Day, or such other time as the Manager (with the approval of Trustee) may determine on any day when the trading hours of the SEHK are reduced

RMB payment procedures

Investors may, unless otherwise agreed by the relevant Participating Dealer, apply for Units through Participating Dealers only if they have sufficient RMB to pay the application monies and the related fees. Investors should note that RMB is the only official currency of the PRC. While both onshore RMB ("**CNY**") and offshore RMB ("**CNH**") are the same currency, they are traded in different and separated markets. Since the two RMB markets operate independently where the flow between them is highly restricted, CNY and CNH are traded at different rates and their movement may not be in the same direction. Although there is a significant amount of RMB held offshore (i.e. outside the PRC), CNH cannot be freely remitted into the PRC and is subject to certain restrictions, and vice versa. As such whilst CNH and CNY are both the same currency, certain special restrictions do apply to RMB outside the PRC. The liquidity and trading price of the Sub-Fund may be adversely affected by the limited availability of, and restrictions applicable to, RMB outside the PRC.

Application monies from Participating Dealers to the Sub-Fund will be paid in RMB only. Accordingly a Participating Dealer may require an investor (as its client) to pay RMB to it. Payment details will be set out in the relevant Participating Dealer's documentation such as the application form for its clients. As such, an investor may need to have opened a bank account (for settlement) and a securities dealing account if a Participating Dealer is to subscribe for Units on behalf of the investor as it will need to have accumulated sufficient RMB to pay at least the aggregate Issue Price and related costs, to the Participating Dealer or if an application to the Participating Dealer is not successful or is successful only in part, the whole or appropriate portion of the monies paid will need to be returned to the investor by the Participating Dealer by crediting such amount into the investor's RMB bank account. Similarly, if an investor wishes to buy and sell Units in the secondary market on the SEHK, the investor may need to open a securities dealing account with its broker. Each investor will need to check with the relevant Participating Dealer and/or its broker for payment details and account procedures.

If any investors wish to buy or sell Units on the secondary market, they should contact their brokers and they are advised to check with their brokers regarding arrangements for distributions in RMB. CCASS Investor Participants who receive distributions in RMB should make sure that they have set up an RMB designated bank account with CCASS.

Investors should consult the banks for the account opening procedures as well as terms and conditions of the RMB bank account. Some banks may impose restrictions on their RMB cheque account and fund transfers to third party accounts. For non-bank financial institutions (e.g. brokers), however, such restriction will not be applicable and investors should consult their brokers as to the currency exchange service arrangement, if required. Investors without RMB accounts should note that distributions are made in RMB only and as such may suffer a foreign exchange loss and incur fees and charges associated with the conversion of distributions from RMB to HKD or any other currency to receive their distributions.

The transaction costs of dealings in the Units on the SEHK include the SEHK trading fee and SFC transaction levy. All these secondary trading related fees and charges will be collected in HKD.

Investors should consult their own brokers or custodians as to how and in what currency the trading related fees and charges and brokerage commission should be paid by the investors.

Where payment in RMB is to be made by cheque investors are advised to consult the bank at which their respective RMB bank accounts are opened in advance whether there are any specific requirements in relation to the issue of RMB cheques. In particular, investors should note that some banks have imposed an internal limit (usually RMB80,000) on the balance of RMB cheque account of their clients or the amount of cheques that their clients can issue in a day and such limit may affect an investor's arrangement of funding for an application (through a Participating Dealer) for creation of Units.

When an individual investor opens an RMB bank account or settle RMB payments, he or she will be subject to a number of restrictions, including the daily maximum remittance amount to the PRC of RMB80,000, and a remittance service is only available to an RMB deposit account-holder who remits from his or her RMB deposit account to the PRC and provided that the account name of the account in the PRC is identical with that of the RMB bank account with the bank in Hong Kong.

Please also refer to the RMB related risk factors in the section on "Risk factors specific to the Sub-Fund" above for further details.

Multi-Counter

The Manager has arranged for the Units of the Sub-Fund to be available for trading on the secondary market on the SEHK under a Multi-Counter arrangement. Units are denominated in RMB. The Sub-Fund offers 3 trading counters for the Distributing Unit Class (i.e. RMB counter, HKD counter and USD counter) on the SEHK to investors for secondary trading purposes. In relation to the Distributing Unit Class, units traded in RMB will be settled in RMB, units traded in HKD counter will be settled in HKD and Units traded in USD counter will be settled in USD. Apart from settlement in different currencies, the trading prices of Units in the counters of the relevant unit class may be different as the different counters are distinct and separate markets. Units traded on each counters of the respective unit class are of the same class and all Unitholders of all counters are treated equally. The counters will have different stock codes (as set out in the section “Key Information” above), different stock short names and different ISIN numbers.

Normally, investors can buy and sell Units traded in the same counter or alternatively buy in one counter and sell in the other counter of the same unit class provided their brokers provide RMB, HKD and USD trading services at the same time and offer inter-counter transfer services to support Multi-Counter trading. Inter-counter buy and sell is permissible even if the trades take places within the same trading day. However, investors should note that the trading price of 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, including inter-counter transfers. Investors’ attention is also drawn to the risk factor above entitled “Risks Associated with Multi-Counter”.

Exchange Listing and Trading (Secondary Market)

General

Application has been made to the Listing Committee of the SEHK for the listing of, and permission to deal in the Units traded in RMB, HKD and USD.

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 Units on one or more other stock exchanges. Investors’ attention is drawn to the section entitled “Exchange Listing and Trading (Secondary Market)” in Part 1 of this Prospectus for further information.

Dealings on the SEHK in Units traded in RMB, HKD and USD are expected to begin on 14 April 2021. Units will trade on the SEHK in board lots of 20 Units.

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

Redemptions

Units can be redeemed directly (through a Participating Dealer). Redemption proceeds shall be paid in RMB only, notwithstanding a Multi-counter being adopted for the Sub-Fund.

Distribution policy

In respect of the Distributing Unit Class, the Manager intends to declare and distribute net dividends to Unitholders at least semi-annually (in January and July each year). Whether or not a distribution will be made, the frequency of distributions and the amount of each distribution will all be at the Manager’s discretion, though there can be no assurance that distributions wll be paid. The Manager will make an announcement prior to any distribution in respect of the relevant distribution amount in RMB only. Distributions may be made out of capital as well as income at the Manager's discretion. The Manager may also, at its discretion, pay dividend out of gross income while all or part of the fees and expenses of the Distributing Unit Class of the Sub-Fund are charged to/paid out of the capital of that class of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by that class of the Sub-Fund and therefore, that class of the Sub-Fund may effectively pay dividend out of capital. The Manager may amend the policy with respect to distribution out of capital or effectively out of capital subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) to investors.

Each Unitholder of the Distributing Unit Class will receive distributions in RMB only. Unitholders without RMB accounts may have to bear the fees and charges associated with the conversion of such dividend from RMB into HKD or any other currency. Unitholders are advised to check with their brokers regarding arrangements for distributions.

Distribution payment rates in respect of Units of the Distributing Unit Class will depend on factors beyond the control of the Manager or Trustee including, general economic conditions, and the financial position and dividend or distribution policies of the relevant underlying entities. There can be no assurance that such entities will declare or pay dividends or distributions.

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 distributions involving payment out of or effectively out of the Distributing Unit Class of the Sub-Fund's capital may result in an immediate reduction in the Net Asset Value per Unit of that unit class.

The composition of distributions payable on Units of the Distributing Unit Class (i.e. the relative amounts of distributions paid and the percentages of dividends out of (i) net distributable income and (ii) capital), if any, for the last 12 months are available from the Manager on request and are also published on the website www.premia-partners.com. The Manager may amend the Sub-Fund's distribution policy with respect to the distributions out of capital or effectively out of capital of the Sub-Fund subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements) .

Fees and expenses

The Sub-Fund employs a single management fee structure, with the Sub-Fund paying all of its fees, costs and expenses (and its due proportion of any costs and expenses of the Trust allocated to it) as a single flat fee (the "**Management Fee**"). Fees and expenses taken into account in determining the Management Fee include, but are not limited to, the Manager's fee, Trustee's fee, Registrar's fees, Custodian fees, fees of the Service Agent, fees and expenses of the auditors, securities transaction fee, ordinary out-of-pocket expenses incurred by the Manager or the Trustee and costs and expenses of licensing the Index. The Management Fee does not include brokerage and transaction costs, fees and extraordinary items such as litigation expenses.

The ongoing charges of the Sub-Fund is equal to the amount of the Management Fee which is capped at a maximum of 0.28% per year of the Net Asset Value of the Sub-Fund and is accrued daily and calculated as at each Dealing Day. It is payable out of the Sub-Fund monthly in arrears in RMB. Any increase or removal of the cap is subject to the prior approval of the SFC (to the extent required under applicable regulatory requirements) and one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) to Unitholders.

The Index

This section is a brief overview of the Index. It contains a summary of the principal features of the Index and is not a complete description of the Index. As of the date of this Prospectus, the summary of the Index in this section is accurate and consistent with the complete description of the Index. Complete information on the Index appears in the website identified below. Such information may change from time to time and details of the changes will appear on that website.

General information on the Index

ICE 10+ Year China Government & Policy Bank Index tracks the performance of long maturity CNY denominated sovereign debt publicly issued by the Chinese government or policy banks. Qualifying securities must have at least 10 years remaining term to final maturity, a fixed coupon schedule and a minimum amount outstanding of CNY 10 billion for sovereigns and CNY 5 billion for policy banks.

The Index methodology was developed by ICE Data Services ("**ICE**" or the "**Index Provider**"), who is responsible for the calculation and dissemination of the Index. The Manager and its connected persons are independent of the Index provider.

The Index is a total return, free float adjusted market capitalization weighted index. The Index, being a total return index, calculates the performance of the index constituents on the basis that any dividends or distributions are reinvested. Upon monthly rebalancing, all Index constituents and cash positions from coupons received during the month are consolidated and reweighted by market capitalization so cash is effectively reinvested no cash position remains post rebalancing.

The Index is denominated in RMB. The Index was launched on 16 November 2020. The constituents of the Index and their respective weightings are published at https://indices.theice.com (the contents of which has not been reviewed by the SFC).

As at 9 February 2021, it comprised 79 constituent securities (there is no maximum cap on bonds or issuers in the index) and free-float market capitalisation of the Index was approximately RMB 561.00 billion. The inception date of the Index was 31 December 2007 with a base level of 100.

Index methodology

Information concerning constituent bond prices, timing and conventions and index governance and administration is provided in the ICE BofA Bond Index Methodologies, which can be accessed on their public website (https://indices.theice.com), or by sending a request to iceindices@theice.com.

Eligible securities

Qualifying securities must have at least ten years remaining term to final maturity, a fixed coupon schedule and a minimum amount outstanding of CNY 10 billion for sovereigns and CNY 5 billion for policy banks. Prior to September 30, 2020 the minimum amount outstanding for policy banks was CNY 10 billion.

- Callable perpetual securities qualify provided they are at least ten years from the first call date.
- Fixed-to-floating rate securities also qualify provided they are callable within the fixed rate period and are at least ten years from the last call prior to the date the bond transitions from a fixed to a floating rate security.
- Bills, inflation-linked debt and strips are excluded from the Index; however, original issue zero coupon bonds are included in the index and the amounts outstanding of qualifying coupon securities are not reduced by any portions that have been stripped.
- Securities issued or marketed primarily to retail investors and legally defaulted securities do not qualify for inclusion in the index.

Index Construction/Weighting

Index constituents are market capitalization weighted. Accrued interest is calculated assuming next-day settlement. Upon monthly rebalancing, all Index constituents and cash positions from coupons received during the month are consolidated and reweighted by market capitalization so cash is effectively reinvested and no cash position remains post rebalancing. Cash does not earn any reinvestment income while it is held in the Index.

Information concerning constituent bond prices, timing and conventions and index governance and administration is provided in the ICE BofA Bond Index Methodologies, which can be accessed on our public website (https://indices.theice.com), or by sending a request to iceindices@theice.com

Index calculation

The daily closing Index value is a function of the prior month-end Index value and the current month-to date return:

$$IV_n = IV_0 \times (1 + TRR_n)$$

where:

IV_n = closing Index value on day n

IV_0 = closing Index value on prior month-end

TRR_n = month-to-date Index total return on day n

The month-to-date return of an Index (TRRn) is equal to the sum of the individual constituent returns times their respective beginning of month weights:

$$TRR_n = \sum_{i=1}^{k} B_i TRR_n \times B_i Wgt_0$$

where:

TRR_n = Index month-to-date total return on day n

$B_i TRR_n$ = month-to-date total return on day n of bond i

$B_i Wgt_0$ = beginning of month weight of bond i

Periodic returns between any two dates can be derived from the beginning and end of period Index values. Since Index values represent closing levels, period returns will include market movement on the end of period date but exclude market movement on the beginning of period date. Therefore, to capture returns for the month of June, divide the June 30 Index value by the May 31 Index value:

$$TRR = \frac{IV_n}{IV_0} - 1$$

where:

TRR = periodic total return

IV_n = closing Index value on the end of period date

IV_0 = closing Index value on the beginning of period date

Annualized returns are derived from period total returns:

$$AnnTRR_n = (1 + TRR_n)^{365/d} - 1$$

where:

$AnnTRR_n$ = annualized total return for period n

TRR_n= periodic total return for period n

d = number of actual days in period n

The Index is available in real time through Bloomberg (G9GP Index).

Index adjustments

Rebalancing

The index is rebalanced monthly on the last calendar day of the month, based on information available up to and including the third business day before the last business day of the month. Upon monthly rebalancing, all index constituents and cash positions from coupons are consolidated and reweighted by market capitalization so that no cash position remains post rebalancing. New issues must settle on or before the calendar month end rebalancing date in order to qualify for the coming month. No changes are made to constituent holdings other than on month end rebalancing dates.

Top 10 constituents of the Index

As at 25 March 2021, the 10 largest constituents of the Index (which accounted in aggregate for 42.89% the Index) were as follows:

Rank	Constituent Name	Country	Maturity Date	Coupon (%)	Rating	Weighting (%)
1	China Government Bond	China	9/14/2050	3.81	A1	6.34

2	China Government Bond	China	3/16/2050	3.39	A1	6.18
3	China Government Bond	China	7/22/2049	3.86	A1	5.69
4	China Government Bond	China	10/22/2048	4.08	A1	5.37
5	China Development Bank Bond	China	1/25/2036	3.8	A1	4.62
6	China Government Bond	China	5/25/2070	3.73	A1	3.74
7	China Government Bond	China	12/15/2033	1.64	A1	3.43
8	China Government Bond	China	6/24/2069	4	A1	2.88
9	China Government Bond	China	7/23/2048	3.97	A1	2.36
10	China Government Bond	China	7/24/2047	4.05	A1	2.29

You can obtain the most updated list of the constituents of the Index, their respective weightings, the last closing index level and additional information of the Index including important news from the website of the Index Provider at https://indices.theice.com (the contents of which has not been reviewed by the SFC).

Index Provider disclaimer

Source ICE Data Indices, LLC ("**ICE Data**"), is used with permission. "SM/®" is a service/trade mark of ICE Data Indices, LLC or its affiliates and has been licensed, along with the ICE 10+ Year China Government & Policy Bank Index ("**Index**") for use by Premia Partners Company Limited in connection with Premia China Treasury and Policy Bank Bond Long Duration ETF (the "**Product**"). Neither the Premia Partners Company Limited, Premia ETF Series (the "**Trust**") nor the Product, as applicable, is sponsored, endorsed, sold or promoted by ICE Data Indices, LLC, its affiliates or its Third Party Suppliers ("**ICE Data and its Suppliers**"). ICE Data and its Suppliers make no representations or warranties regarding the advisability of investing in securities generally, in the Product particularly, the Trust or the ability of the Index to track general stock market performance. ICE Data's only relationship to Premia Partners Company Limited is the licensing of certain trademarks and trade names and the Index or components thereof. The Index is determined, composed and calculated by ICE Data without regard to the LICENSEE or the Product or its holders. ICE Data has no obligation to take the needs of the Licensee or the holders of the Product into consideration in determining, composing or calculating the Index. ICE Data is not responsible for and has not participated in the determination of the timing of, prices of, or quantities of the Product to be issued or in the determination or calculation of the equation by which the Product is to be priced, sold, purchased, or redeemed. Except for certain custom index calculation services, all information provided by ICE Data is general in nature and not tailored to the needs of LICENSEE or any other person, entity or group of persons. ICE Data has no obligation or liability in connection with the administration, marketing, or trading of the Product. ICE Data is not an investment advisor. Inclusion of a security within an index is not a recommendation by ICE Data to buy, sell, or hold such security, nor is it considered to be investment advice.

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ANY DAMAGES OR LIABILITY WITH RESPECT TO THE ADEQUACY, ACCURACY, TIMELINESS OR COMPLETENESS OF THE INDICES AND THE INDEX DATA, WHICH ARE PROVIDED ON AN “AS IS” BASIS AND YOUR USE IS AT YOUR OWN RISK.

Index licence agreement

The initial term of the licence of the Index commenced on 11 December 2020 and should continue until 10 December 2021 on which date the licence should be renewed for successive terms of 1 year unless either party to the licence agreement serves a written notice of termination of at least 180 days prior to the end of the then current term to the other party. The licence agreement may otherwise be terminated in accordance with the provisions of the licence agreement.

Appendix dated 7 April 2021

APPENDIX 8: PREMIA CHINA USD PROPERTY BOND ETF

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.

This Sub-Fund is not authorized by the SFC under the Code on Real Estate Investment Trusts.

Index	ICE 1-5 Year USD China Senior Real Estate Corporate Constrained Index
Type of Index	The Index is a total return market capitalization weighted index. The Index, being a total return index, calculates the performance of the index constituents on the basis that any dividends or distributions are reinvested. Upon monthly rebalancing, all Index constituents and cash positions from coupons received during the month are consolidated and reweighted by market capitalization so cash is effectively reinvested and no cash position remains post rebalancing.
Initial Issue Date	13 April 2021 (the Business Day immediately before the Listing Date)
Initial Offer Period	7 April – 12 April 2021
Listing Date (SEHK)	14 April 2021
Issue Price during the Initial Offer Period	USD 50
Exchange Listing	SEHK – Main Board
Stock Code	In respect of the Distributing Unit Class: 09001 – USD counter 03001 – HKD counter 83001 – RMB counter
Stock Short Name	PP CNUSDPROP-U – USD counter PP CNUSDPROP – HKD counter PP CNUSDPROP-R – RMB counter
Trading Board Lot Size	In respect of the Distributing Unit Class: 5 Units – USD counter 5 Units – HKD counter 5 Units – RMB counter
Base Currency	United States dollars (USD)
Trading Currency	United States dollars (USD) Hong Kong dollars (HKD) Renminbi (RMB)

Distribution Policy	The Manager intends to pay distributions to Unitholders quarterly (in January, April, July and October each year) at its discretion. All Units (whether USD, HKD or RMB traded) will receive distributions in the Base Currency (USD) only.* Distributions may be made out of capital or effectively out of capital as well as income at the Manager's discretion. Where distributions are made out of capital (including where the Sub-Fund pays dividend out of gross income and charges/pays all or part of the fees and expenses to/out of capital) or effectively out of capital, this may result in an immediate reduction in the Net Asset Value per Unit. There are currently no Accumulating Unit Classes launched for this Sub-Fund.
Creation/Redemption Policy **(for the Distributing Unit Class)**	Cash (USD) / In-Kind
Application Unit Size (only by or through Participating Dealers) (for Distributing Unit Class)	Minimum 10,000 Units (or multiples thereof)
Dealing Deadline	After Listing: 2:00 p.m. (Hong Kong time) on the relevant Dealing Day
Management Fee (for the Distributing Unit Class)	Currently 0.58% per year of the Net Asset Value
Investment Strategy	Representative sampling. Please refer to the section on "What is the investment strategy?" below
Ongoing Charges Over a Year**	Estimated to be 0.58%
Financial Year End	31 December
Listing Agent	Altus Capital Limited
Market Makers (USD Counter) (for the Distributing Unit Class)	Flow Traders Hong Kong Limited
Market Makers (HKD Counter) (for the Distributing Unit Class)	Flow Traders Hong Kong Limited
Market Makers (RMB Counter) (for the Distributing Unit Class)	Flow Traders Hong Kong Limited
Participating Dealers (for the Distributing Unit Class)	Goldman Sachs (Asia) Securities Limited Haitong International Securities Company Limited Korea Investment & Securities Asia Limited Mirae Asset Securities (HK) Limited
Service Agent	HK Conversion Agency Services Limited

Website	www.premia-partners.com

* *All Units will receive distributions in USD only. In the event that the relevant Unitholder has no USD account, the Unitholder may have to bear the fees and charges associated with the conversion of such dividend from USD into HKD or any other currency. Unitholders are advised to check with their brokers regarding arrangements for distributions and to consider the risk factor entitled "Foreign exchange and other currency distributions risk" below.*

** *As the Sub-Fund is newly set up, this figure is a best estimate only and represents the sum of the estimated ongoing charges over a 12 month period expressed as a percentage of the estimated average Net Asset Value over the same period. It may be different upon actual operation of the Sub-Fund and may vary from year to year. The estimated ongoing charges do not represent the estimated tracking error. As the Sub-Fund adopts a single management fee structure as described in "Fees and expenses" below, the estimated ongoing charges of the Sub-Fund will be equal to the amount of the Management Fee which is a single management fee and is capped at a maximum of 0.58% of the average Net Asset Value of the Sub-Fund. Any ongoing expenses exceeding 0.58% of the average Net Asset Value of the Sub-Fund will be borne by the Manager and will not be charged to the Sub-Fund.*

What is the investment objective?

The investment objective of the Sub-Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the Index. There can be 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 an optimised representative sampling strategy by investing directly in a representative sample of USD denominated high yield corporate debt securities issued by Chinese property developers and traded on the US domestic and Eurobond OTC markets (the "**Securities**") from the Index that collectively reflects the investment characteristics of the Index. The Sub-Fund may or may not hold all of the Securities that are included in the Index, and may hold Securities which are not included in the Index, provided that these collectively feature a high correlation with the Index and meet the criteria below. Investments in Securities which are not included in the Index are not anticipated to exceed 20% of the Net Asset Value of the Sub-Fund.

The Sub-Fund may invest up to 100% of its Net Asset Value directly in Securities issued by Chinese property developers that have a country of risk associated with China, and a sector classification of Real Estate as assigned by ICE Data Services ("**ICE**" or the "**Index Provider**"). The Sub-Fund may invest up to 100% of its Net Asset Value in Securities which are rated below investment grade (as defined below), including for Securities that are not included in the Index. For the purpose of this Sub-Fund, "below investment grade" refers to securities rated lower than Baa3 of Moody's or BBB- of S&P and Fitch. The Sub-Fund will not invest in securities that are unrated.

The Securities must have at least 1 year, but less than 5 years remaining term to final maturity, at least 18 months until final maturity at point of issuance, a minimum amount outstanding of USD 350 million and a fixed coupon schedule.

Other than the Securities, the Sub-Fund may also invest in USD money market funds that are either authorised by the SFC or eligible schemes as determined by the SFC or USD cash deposits for cash management purposes although such investments are not anticipated to exceed 5% of the Net Asset Value of the Sub-Fund.

The Sub-Fund will not invest in debt instruments with loss-absorption features. There is no current intention for the Sub-Fund to (i) engage in sale and repurchase transaction, reverse repurchase transactions and/or other similar over-the-counter transactions or (ii) invest in any financial derivative instruments for hedging or non-hedging (i.e. investment) purposes, urban investment bonds, structured products or instruments, structured deposits, asset backed securities, asset backed commercial papers and mortgage backed securities.

Securities Lending Transactions

The Manager may, on behalf of the Sub-Fund, enter into securities lending transactions with a maximum level of up to 50% and expected level of approximately 25% of the Sub-Fund's Net Asset Value. The Manager will be able to 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. Such transactions may be terminated at any time by the Manager at its absolute discretion. Please refer to the sub-section titled "Securities Lending" of the section headed "Investment Objective, Strategy And Restrictions, Securities Lending And Borrowing" in Part 1 of this Prospectus in regard to the details of the arrangements.

As part of the securities lending transactions, the Sub-Fund must receive cash and/or non-cash collateral (fulfilling the requirements under sub-section titled "Collateral" of the section headed "Investment Objective, Strategy And Restrictions, Securities Lending And Borrowing" in Part 1 of this Prospectus) of 100% of the value of the Securities lent (interests, dividends and other eventual rights included). The collateral will be marked-to-market on a daily basis and be subject to safekeeping by the Trustee or an agent appointed by the Trustee. Please refer to the sub-section titled "The Trustee and Registrar" of the section headed "Management Of The Trust And Sub-Funds" in Part 1 of this Prospectus in regard to the extent of the Trustee's responsibility for the safekeeping of the assets of the Trust and the appointment of agents. The valuation of the collateral generally takes place on trading day T. If the value of the collateral falls below 100% of the value of the securities lent on any trading day T, the Manager will call for additional collateral on trading day T, and the borrower will have to deliver additional collateral to make up for the difference in securities value by 4:00 p.m. on trading day T+2.

Non-cash collateral received may not be sold, re-invested or pledged. Any re-investment of cash collateral received shall be subject to the requirements as set out in the sub-section titled "Collateral" of the section headed "Investment Objective, Strategy And Restrictions, Securities Lending And Borrowing" in Part 1 of this Prospectus.

To the extent the Sub-Fund undertakes securities lending transactions, all revenues (net of direct and indirect expenses as reasonable and normal compensation for the services rendered by the Manager, a securities lending agent and/or other service providers in the context of such transactions to the extent permitted by applicable legal and regulatory requirements) shall be returned to the Sub-Fund. The cost relating to securities lending transactions will be borne by the borrower. Securities lending transactions nonetheless give rise to certain risks including counterparty risk, collateral risk and operational risk. Please refer to the risk factors below for further details.

The investment strategy of the Sub-Fund is subject to the investment and borrowing restrictions set out in Part 1 of this Prospectus.

Notwithstanding the investment and borrowing restrictions set out in Part 1 of this Prospectus, the Sub-Fund shall not invest in units or shares of other collective investment schemes.

The Sub-Fund is currently available in distributing unit class (in RMB, USD and HKD counters) ("**Distributing Unit Class**") only, which is available for trading in the SEHK – Main Board. The Distributing Unit Class (whether USD, HKD or RMB traded) pays distributions in USD to Unitholders of this unit class (which may be made out of capital or effectively out of capital as well as income) at the Directors' discretion.

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.

Concentration / PRC market risks

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

Real estate sector concentration risk

Due to the concentration of the Index in the real estate sector, the performance of the Index may be more volatile when compared to other broad-based indices. The price volatility of the Sub-Fund may be greater than the price volatility of exchange traded funds tracking more broad-based indices.

U.S. Dollar-Denominated Chinese Debt Securities Risk

Chinese debt securities denominated in U.S. dollars may behave very differently from RMB Bonds and other Chinese bonds, and there may be little to no correlation between the performance of them. For example, changes to currency exchange rates may impact issuers of Chinese debt securities denominated in U.S. dollars differently than issuers of RMB Bonds and other Chinese bonds. In addition, if the U.S. dollar increases in value against the local currency of a debt issuer, the issuer may be subject to a greater risk of default on their obligations (i.e., unable to make scheduled interest or principal payments to investors).

High Yield Securities Risk

Securities that are rated below investment grade are subject to greater credit risk and greater risk of loss of income and principal than highly rated securities because their issuers may be more likely to default. The Sub-Fund may lose its entire investment if the issuer of a debt is in default. Junk bonds are inherently speculative. The prices of high yield securities are likely to be highly volatile with lower liquidity than those of highly rated securities, and the secondary market for them is generally less liquid than that for highly rated securities. Such securities are generally subject to fluctuations and the bid-ask spread of such securities may be large, causing the Sub-Fund to incur significant trading costs. Adverse events or market conditions may have a larger negative impact on the prices of non-investment grade debt securities than on higher-rated debt securities.

Valuation risk

Valuation of the Sub-Fund's instruments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the Net Asset Value of the Sub-Fund.

Fixed Income Credit and Interest rate risk

Fixed income securities are subject to credit risk and interest rate risk. Credit risk refers to the possibility that the issuer of a security will not make timely interest payments or repay the principal of the debt issued (i.e., default on its obligations). A downgrade or default on securities held by the Sub-Fund could adversely affect the Sub-Fund's performance. Generally, the longer the maturity and the lower the credit quality of a security, the more sensitive it is to credit risk. Interest rate risk is the risk that fixed income securities will decline in value because of an increase in interest rates and changes to other factors, such as perception of an issuer's creditworthiness. Funds with higher durations generally are subject to greater interest rate risk.

Credit rating and downgrading risk

Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times. The credit rating of a debt instrument or its issuer may subsequently be downgraded. In the event of such downgrading, the value of the Sub-Fund may be adversely affected. The Manager may or may not be able to dispose of the debt instruments that are being downgraded.

Distributions out of or effectively out of capital risk

In respect of the Distributing Unit Class, the Manager may, at its discretion make distributions out of capital. The Manager may also, at its discretion, make distributions out of gross income while all or part of the fees and expenses of the Distributing Unit Class of the Sub-Fund are charged to/paid out of the capital of the Distributing Unit Class of the Sub-Fund, resulting in an increase in distributable income for the payment of distributions by the Distributing Unit Class of the Sub-Fund and therefore, the Distributing Unit Class of the Sub-Fund may effectively pay distributions out of the capital. 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 distributions involving payment of distributions out of or effectively out of Distributing Unit Class of the Sub-Fund's capital may result in an immediate reduction of the Net Asset Value per Unit of the Distributing Unit Class. The Manager may amend its distribution policy subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) to Unitholders.

Volatility and liquidity risk

The debt securities in the PRC market may be subject to higher volatility and lower liquidity compared to more developed markets. The prices of securities traded in such markets may be subject to fluctuations. The bid and offer spreads of the price of such securities may be large and the fund may incur significant trading costs.

Over-the-counter Market Risk

OTC markets such as the USD Corporate Bond market are subject to less governmental regulation and supervision of transactions than organized exchanges. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearing house, may not be available in connection with transactions on OTC markets. Therefore, by entering into transactions on OTC markets, the Sub-Fund will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that the Sub-Fund will sustain losses.

Foreign exchange and other currency distributions risk

The Sub-Fund's Base Currency is in USD but has Units traded in HKD and RMB (in addition to USD). Secondary market investors may be subject to additional costs or losses associated with fluctuations in the exchange rates between HKD and the Base Currency and by changes in exchange rate controls when trading Units in the secondary market.

Investors should note that all Units of the Distributing Unit Class will receive distributions in the Base Currency (USD) only. In the event that the relevant Unitholder has no USD account, the Unitholder may have to bear the fees and charges associated with the conversion of such distribution from USD to HKD or any other currency. The relevant Unitholder may also have to bear bank or financial institution fees and charges associated with the handling of the distribution payment. Relevant unitholders are advised to check with their brokers regarding arrangements for distributions.

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.

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.

Trading hours differences risk

As the trading platforms on which the Index constituents are traded may be open when Units in the Sub-Fund are not priced, the value of the Securities in the Sub-Fund's portfolio may change on days when investors will not be able to purchase or sell the Sub-Fund's Units. Furthermore, the market price of underlying Securities traded on the above trading platforms which are established outside Hong Kong may not be available during part or all of the SEHK trading sessions due to trading hour differences which may result in the trading price of the Sub-Fund deviating away from the Net Asset Value. Shares traded on certain trading platforms may be subject to trading bands which restrict increases and decreases in the trading price. Units traded on the SEHK are not. The prices quoted by the SEHK market maker would therefore be adjusted to take into account any accrued market risk that arises from such unavailability of the Index level and as a result, the level of premium or discount of the Unit price of the Sub-Fund to its Net Asset Value may be higher.

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.

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.

Trading risks

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 Net Asset Value.

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 units in the RMB counter are RMB denominated securities traded on the SEHK and settled in CCASS. Not all stockbrokers or custodians may be ready and able to carry out trading and settlement of the RMB traded units. The limited availability of RMB outside the PRC may also affect the liquidity and trading price of the RMB traded units.

Taxation

There are also risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of interest income and capital gains realised on its investments in bonds issued by mainland issuers outside the PRC. It should also be noted that there is a possibility of the PRC tax rules, regulations and practice being changed and taxes being applied retrospectively. There is a risk that taxes may be levied in future on the Sub-Fund for which no provision is made, which may potentially cause substantial loss to the Sub-Fund.

There is no provision made on the interest income and gross unrealised and realised capital gains derived from disposal of bonds issued by mainland issuers outside the PRC. In the event that actual tax is collected by the State Administration of Taxation and the Sub-Fund is required to make payments reflecting tax liabilities for which no provision has been made, the Net Asset Value of the Sub-Fund may be adversely affected as the Sub-Fund will ultimately have to bear the full amount of tax liabilities. In this case, the tax liabilities will only impact Units in issue at the relevant time, and the then existing Unitholders and subsequent Unitholders will be disadvantaged as such Unitholders will bear, through the Sub-Fund, a disproportionately higher amount of tax liabilities as compared to that borne at the time of investment in the Sub-Fund.

The offering phases

Initial Offer Period

The current Dealing Deadline during the Initial Offer Period is 11:00 a.m. (Hong Kong time) 2 Business Days prior to the Listing Day, or such other time as the Manager (with the approval of Trustee) may determine on any day when the trading hours of the SEHK are reduced. Please see "Summary of timetable" below.

The Issue Price of Units which is the subject of a Creation Application during the Initial Offer Period is USD50, or such other amount determined by the Manager with the approval of the Trustee prior to the Initial Offer Period. All Creation Applications must be made in cash (in USD only).

After Listing

Dealings in the Units on the SEHK are expected to commence on 14 April 2021 but may be postponed by the Manager to a date no later than 9 May 2021.

The current Dealing Deadline After Listing is 2:00 p.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager (with the approval of Trustee) may determine on any day when the trading hours of the SEHK are reduced.

All Creation Applications may be made in cash (in USD only) or in-kind. Settlement in cash for subscribing Units is due at the time specified in the Operating Guidelines on the relevant Dealing Day in accordance with the Operating Guidelines.

The attention of investors is drawn to the section entitled "The Offering Phases" in Part 1 of this Prospectus.

Summary of timetable

The following table summarises all key events and the Manager's expected timetable:

Initial Offer Period commences • Participating Dealers may apply for cash creation for themselves or for their clients in a minimum number of 10,000 Units (or multiples thereof)	• 9:00 a.m. (Hong Kong time) on 7 April 2021 or such other date or time as the Manager may determine
The date that is 2 Business Days prior to the Listing Date • Latest time for cash Creation Applications by Participating Dealers for Units to be available for trading on the Listing Date	• 11:00 a.m. (Hong Kong time) on 12 April 2021 or such other date or time as the Manager may determine
After Listing (period commences on the Listing Date) • All investors may start trading Units on the SEHK through any designated brokers; and • Participating Dealers may apply for cash creation and cash redemption (for themselves or for their clients) in a minimum number of 10,000 Units (or multiples thereof) continually	• Commence at 9:30 a.m. (Hong Kong time) on 14 April 2021, but may be postponed by the Manager to a date no later than 9 May 2021 • Until 2:00 p.m. (Hong Kong time) on each Dealing Day, or such other time as the Manager (with the approval of Trustee) may determine on any day when the trading hours of the SEHK are reduced

Multi-Counter

The Manager has arranged for the Units of the Sub-Fund to be available for trading on the secondary market on the SEHK under a Multi-Counter arrangement. Units are denominated in USD. The Sub-Fund offers 3 trading counters on the SEHK for the Distributing Unit Class (i.e. RMB counter, HKD counter and USD counter) to investors for secondary trading purposes. In relation to the Distributing Unit Class, units traded in RMB will be settled in RMB, units traded in HKD counter will be settled in HKD and Units traded in USD counter will be settled in USD. Apart from settlement in different currencies, the trading prices of Units in the counters of the relevant unit class may be different as the different counters are distinct and separate markets. Units traded on each counters of the respective unit class are of the same class and all Unitholders of all counters are treated equally. The counters will have different stock codes (as set out in the section "Key Information" above), different stock short names and different ISIN numbers.

Normally, investors can buy and sell Units traded in the same counter or alternatively buy in one counter and sell in the other counter of the same unit class provided their brokers provide RMB, HKD and USD trading services at the same time and offer inter-counter transfer services to support Multi-Counter trading. Inter-counter buy and sell is permissible even if the trades take places within the same trading day. However, investors should note that the trading price of 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, including inter-counter transfers. Investors' attention is also drawn to the risk factor above entitled "Risks Associated with Multi-Counter".

Exchange Listing and Trading (Secondary Market)

General

Application has been made to the Listing Committee of the SEHK for the listing of, and permission to deal in the Units traded in USD, RMB and HKD.

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 Units on one or more other stock exchanges. Investors' attention is drawn to the section entitled "Exchange Listing and Trading (Secondary Market)" in Part 1 of this Prospectus for further information.

Dealings on the SEHK in Units traded in USD, RMB and HKD are expected to begin on 14 April 2021. Units will trade on the SEHK in board lots of 5 Units.

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

Redemptions

Units can be redeemed directly (through a Participating Dealer). Redemption proceeds shall be paid in USD only, notwithstanding a Multi-counter being adopted for the Sub-Fund.

Distribution policy

In respect of the Distributing Unit Class, the Manager intends to declare and distribute net dividends to Unitholders at least quarterly (in January, April, July and October each year). Whether or not a distribution will be made, the frequency of distributions and the amount of each distribution will all be at the Manager's discretion, though there can be no assurance that distributions will be paid. The Manager will make an announcement prior to any distribution in respect of the relevant distribution amount in USD only. Distributions may be made out of capital as well as income at the Manager's discretion. The Manager may also, at its discretion, pay dividend out of gross income while all or part of the fees and expenses of the Distributing Unit Class of the Sub-Fund are charged to/paid out of the capital of that class of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by that class of the Sub-Fund and therefore, that class of the Sub-Fund may effectively pay dividend out of capital. The Manager may amend the policy with respect to distribution out of capital or effectively out of capital subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) to investors.

Each Unitholder of the Distributing Unit Class will receive distributions in USD only. Unitholders without USD accounts may have to bear the fees and charges associated with the conversion of such dividend from USD into HKD or any other currency. Unitholders are advised to check with their brokers regarding arrangements for distributions.

Distribution payment rates in respect of Units of the Distributing Unit Class will depend on factors beyond the control of the Manager or Trustee including, general economic conditions, and the financial position and dividend or distribution policies of the relevant underlying entities. There can be no assurance that such entities will declare or pay dividends or distributions.

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 distributions involving payment out of or effectively out of the Distributing Unit Class of the Sub-Fund's capital may result in an immediate reduction in the Net Asset Value per Unit of that unit class.

The composition of distributions payable on Units of the Distributing Unit Class (i.e. the relative amounts of distributions paid and the percentages of dividends out of (i) net distributable income and (ii) capital), if any, for the last 12 months are available from the Manager on request and are also published on the website www.premia-partners.com. The Manager may amend the Sub-Fund's distribution policy with respect to the distributions out of capital or effectively out of capital of the Sub-Fund subject to the SFC's prior approval (to the extent required under applicable regulatory requirements) and by giving not less than one month's prior notice to Unitholders (or such shorter notice period as may be permitted under applicable regulatory requirements).

Fees and expenses

The Sub-Fund employs a single management fee structure, with the Sub-Fund paying all of its fees, costs and expenses (and its due proportion of any costs and expenses of the Trust allocated to it) as a single flat fee (the "**Management Fee**"). Fees and expenses taken into account in determining the Management Fee include, but are not limited to, the Manager's fee, Trustee's fee, Registrar's fees, fees of the Service Agent, fees and expenses of the auditors, securities transaction fee, ordinary out-of-pocket expenses incurred by the Manager or the Trustee and costs and expenses of licensing the Index. The Management Fee does not include brokerage and transaction costs, fees and extraordinary items such as litigation expenses.

The ongoing charges of the Sub-Fund is equal to the amount of the Management Fee which is capped at a maximum of 0.58% per year of the Net Asset Value of the Sub-Fund and is accrued daily and calculated as at each Dealing Day. It is payable out of the Sub-Fund monthly in arrears in USD. Any increase or removal of the cap is subject to the prior approval of the SFC (to the extent required under applicable regulatory requirements) and one month's prior notice (or such shorter notice period as may be permitted under applicable regulatory requirements) to Unitholders.

The Index

This section is a brief overview of the Index. It contains a summary of the principal features of the Index and is not a complete description of the Index. As of the date of this Prospectus, the summary of the Index in this section is accurate and consistent with the complete description of the Index. Complete information on the Index appears in the website identified below. Such information may change from time to time and details of the changes will appear on that website.

General information on the Index

ICE 1-5 Year USD China Senior Real Estate Corporate Constrained Index tracks the performance of short maturity US dollar denominated securities issued by Chinese real estate corporate issuers in the US domestic and eurobond markets.

The Index methodology was developed by ICE Data Services ("**ICE**" or the "**Index Provider**"), who are responsible for the calculation and dissemination of the Index. The Manager and its connected persons are independent of the Index provider.

The Index is a total return market capitalization weighted index. The Index, being a total return index, calculates the performance of the index constituents on the basis that any dividends or distributions are reinvested. Upon monthly rebalancing, all Index constituents and cash positions from coupons received during the month are consolidated and reweighted by market capitalization so cash is effectively reinvested and no cash position remains post rebalancing.

The index is denominated and quoted in USD. The index was launched on 17 November 2020. The constituents of the index and their respective weightings are published at https://indices.theice.com.

As at 9 February 2021, it comprised 158 constituent securities. The market capitalisation of the Index was approximately USD 98 billion. The base date for the Index is 31 December 2014 with a base level of 100 as of the base date.

Index methodology

Information concerning constituent bond prices, timing and conventions and index governance and administration is provided in the ICE BofA Bond Index Methodologies, which can be accessed on our public website (https://indices.theice.com), or by sending a request to iceindices@theice.com.

Eligible securities

Qualifying securities have a country of risk associated with China, and a Level 3 sector designation of Real Estate.

- Securities must be rated by Moody's, S&P or Fitch, and ranked as senior debt. Unrated securities are excluded from the index. Up to 100% of such debt securities and/or their issuers may be rated below investment grade (as defined above) by Fitch, Moody's or S&P respectively, but excludes unrated securities.
- Qualifying debt must have at least one year but less than five years remaining term to final maturity, at least 18 months until final maturity at point of issuance, a minimum amount outstanding of $350 million and a fixed coupon schedule.
- Original issue zero coupon bonds, "global" securities (debt issued simultaneously in the eurobond and domestic markets), Rule 144A securities under the Securities Act (with or without registration rights), pay-in-kind securities, including toggle notes qualify for inclusion in the Index.
- Debt instruments with loss-absorption features and contingent capital securities (cocos) are excluded, but capital securities where conversion can be mandated by a regulatory authority, but which have no specified trigger, are included.
- Other hybrid capital securities, such as those issues that potentially convert into preference shares, those with both cumulative and non-cumulative coupon deferral provisions, and those with alternative coupon satisfaction mechanisms, are also included in the index.
- Callable perpetual securities qualify provided they are at least one year from the first call date.
- Fixed-to-floating rate securities also qualify provided they are callable within the fixed rate period and are at least one year from the last call prior to the date the bond transitions from a fixed to a floating rate security.
- Securities in legal default and equity-linked securities are excluded from the Index.

Index Construction/Weighting

Index constituents are market capitalization weighted, subject to a 5% cap on issuer exposure and a 5% cap on ultimate parent exposure level, meaning exposure to all issues from issuers that have the same ultimate parent (defined as an entity that has a controlling interest in the issuer) will in aggregate be limited to 5% of the Index. First, a 5% issuer cap is applied with any excess weight redistributed to remaining issuers on a pro rata basis. Next, a 5% cap is applied based on issuer ultimate parent, with similar pro rata redistribution, but subject to not violating the previously applied

5% issuer cap. If 20 or fewer ultimate parent issuers exist in the index, the ultimate parent issuers are equally weighted.

Accrued interest is calculated assuming next-day settlement. Upon monthly rebalancing, all Index constituents and cash positions from coupons received during the month are consolidated and reweighted by market capitalization so cash is effectively reinvested and no cash position remains post rebalancing. Cash does not earn any reinvestment income while it is held in the index.

Index calculation

The daily closing Index value is a function of the prior month-end Index value and the current month-to date return:

$$IV_n = IV_0 \times (1 + TRR_n)$$

where:

IV_n = closing Index value on day n

IV_0 = closing Index value on prior month-end

TRR_n = month-to-date Index total return on day n

The month-to-date return of an Index (TRRn) is equal to the sum of the individual constituent returns times their respective beginning of month weights:

$$TRR_n = \sum_{i=1}^{k} B_i TRR_n \times B_i Wgt_0$$

where:

TRR_n = Index month-to-date total return on day n

$B_i TRR_n$ = month-to-date total return on day n of bond i

$B_i Wgt_0$ = beginning of month weight of bond i

Periodic returns between any two dates can be derived from the beginning and end of period Index values. Since Index values represent closing levels, period returns will include market movement on the end of period date but exclude market movement on the beginning of period date. Therefore, to capture returns for the month of June, divide the June 30 Index value by the May 31 Index value:

$$TRR = \frac{IV_n}{IV_0} - 1$$

where:

TRR = periodic total return

IV_n = closing Index value on the end of period date

IV_0 = closing Index value on the beginning of period date

Annualized returns are derived from period total returns:

$$AnnTRR_n = (1 + TRR_n)^{365/d} - 1$$

where:

$AnnTRR_n$ = annualized total return for period n

TRR_n= periodic total return for period n

d = number of actual days in period n

The Index is available in real time through Bloomberg (CVCP Index).

Index adjustments

Rebalancing

The index is rebalanced monthly on the last calendar day of the month, based on information available up to and including the third business day before the last business day of the month. Upon monthly rebalancing, all index constituents and cash positions from coupons are consolidated and reweighted by market capitalization so that cash is effectively reinvested and no cash position remains post rebalancing. New issues must settle on or before the calendar month end rebalancing date in order to qualify for the coming month. No changes are made to constituent holdings other than on month end rebalancing dates.

Top 10 constituents of the Index

As at 25 March 2021, the 10 largest constituents of the Index (which accounted in aggregate for 12.43% the Index) were as follows:

Rank	Constituent Name	Country	Maturity Date	Coupon (%)	Rating	Weighting (%)
1	Kaisa Group Holdings Ltd.	China	6/30/2024	9.375	B2	1.54
2	Shimao Group Holdings Ltd	China	2/21/2024	6.125	BBB3	1.47
3	Vanke Real Estate (Hong Kong) Co Ltd	China	4/18/2023	4.15	BBB2	1.44
4	Shimao Group Holdings Ltd	China	7/3/2022	4.75	BB1	1.42
5	Easy Tactic Limited	China	2/27/2023	8.125	B1	1.17
6	China Overseas Finance (Cayman)	China	5/8/2024	5.95	BBB1	1.10

	VI Ltd					
7	China Overseas Finance (Cayman) VII Ltd	China	4/26/2023	4.25	BBB1	1.09
8	Sino-Ocean Land Treasure Finance I Limited	China	7/30/2024	6	BBB3	1.08
9	China Resources Land Limited	China	2/27/2024	6	BBB1	1.07
10	Agile Group Holdings Limited	China	12/4/2023	8.375	BB3	1.04

You can obtain the most updated list of the constituents of the Index, their respective weightings, the last closing index level and additional information of the Index including important news from the website of the Index Provider at https://indices.theice.com (the contents of which has not been reviewed by the SFC).

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Index licence agreement

The initial term of the licence of the Index commenced on 11 December 2020 and should continue until 10 December 2021 on which date the licence should be renewed for successive terms of 1 year unless either party to the licence agreement serves a written notice of termination of at least 180 days prior to the end of the then current term to the other party. The licence agreement may otherwise be terminated in accordance with the provisions of the licence agreement.

Appendix dated 7 April 2021