

Singapore, 27 August 2018

## **ANNOUNCEMENT – WAIVERS FROM COMPLIANCE WITH CERTAIN RULES OF THE SGX-ST LISTING MANUAL**

### **LYXOR MSCI EMERGING MARKETS UCITS ETF (STOCK CODE: H1N<sup>1</sup>)(“ETF”)**

Lyxor International Asset Management (the “**Manager**”), as the manager of the ETF and on behalf of Multi Units France (“**MUF**”), wishes to announce that pursuant to the listing application submitted on 31 May 2018 to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the ETF, the SGX-ST has on 30 July 2018 granted to the ETF waivers from compliance with the following listing rules under the SGX-ST’s listing manual (the “**Listing Rules**”), and the reasons for seeking the waivers are set out below for investors’ information:

- (1) **Listing Rule 220(2)**, which requires (in respect of secondary listings) the financial statements submitted with the listing application, and future periodic financial reports, need only be reconciled to SFRS(I)s, or IFRS, or US GAAP.

The ETF will be subject to the applicable French accounting standards and requirements, and the financial statements and reports of the ETF would have to and will comply with the French General Accounting Principles. There is also no requirement under the applicable French rules for the financial statements of the ETF (upon listing of shares of the ETF on the SGX-ST) to be reconciled to Singapore statements of accounting or the international accounting standards (i.e. the FRS, IFRS or US GAAP).

The SGX-ST granted the ETF a waiver from compliance with Listing Rule 220(2) subject to a confirmation that the ETF will comply with the applicable French accounting standards and requirements on a continuing basis.

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<sup>1</sup> Or such other stock code as may be issued by the SGX-ST from time to time as will be available on the SGX-ST website at <http://www.sgx.com> from the date of commencement of trading of the shares of the MUF ETF on the SGX-ST. It is anticipated that the ETF will have the same stock code (H1N) as the Lyxor MSCI Emerging Markets UCITS ETF (which has been admitted to the Official List of the SGX-ST for trading on the MAINBOARD since 12 May 2009).

- (2) **Listing Rule 404(2)(a)**, which requires an investment fund denominated in a foreign currency to have a minimum asset size of at least US\$20 million (or its equivalent in other currencies).

The listing application was made in conjunction with the proposed merger of the Lyxor MSCI Emerging Markets UCITS ETF (which has been admitted to the Official List of the SGX-ST for trading on the MAINBOARD since 12 May 2009) into the ETF.

As the merger of the Class C-USD of the Lyxor MSCI Emerging Markets UCITS ETF (which is listed on the SGX-ST) into the Class Acc (USD) of the ETF (to be listed on the SGX-ST) will take the form of a 1:1 share trade, MUF expects the Class Acc (USD) of the ETF to have approximately the same asset size as the Class C-USD of the Lyxor MSCI Emerging Markets UCITS ETF as at the merger date.

As of 14 May 2018, the NAV of the Class C-USD of the Lyxor MSCI Emerging Markets UCITS ETF is USD 264 million.

However MUF will have no control over any potential redemptions from the Class C-USD of the Lyxor MSCI Emerging Markets UCITS ETF during the period leading up to the merger and potential redemptions and exchange rate fluctuations may impact the asset size of the Class C-USD of the Lyxor MSCI Emerging Markets UCITS ETF as at the merger date.

MUF is of the view that the designated market maker for the ETF would still be able to ensure day-to-day liquidity even if the listing size of the ETF is less than US\$20 million.

In view of the above, MUF had requested for a waiver from the requirement of Listing Rule 404(2)(a) in respect of the ETF and a waiver thereof was granted by the SGX-ST subject to the appointment of at least one designated market maker (approved by the Member Supervision function of the SGX-ST) to make market in the ETF's shares to ensure there will be a ready market for the trading of the ETF's shares.

- (3) **Listing Rule 404(4)**, which provides that a newly formed investment fund must not change its investment objectives and policies in the first three years unless approved by a special resolution of the shareholders in a general meeting.

The ETF will be established in France and will be subject to applicable French laws which permit changes to the ETF's investment objective or policies subject to prior approval granted by the AMF and the depository of the ETF and prior notice of such changes being given to the shareholders in certain situations.

There is also no requirement to seek shareholders' approval for a change in the investment objective or policies of the ETF under the applicable French laws.

In view of the above, MUF had requested for a waiver from the requirement of Listing Rule 404(4) in respect of the ETF and a waiver therefore was granted by the SGX-ST to the extent that French laws do not require shareholders' approval for the changes to be effected, subject to prior notice being given to shareholders and CDP in the form of a written notice as well as an announcement on SGXNET.

Please do not hesitate to contact Lyxor ETF Client Service Hotline by phone at +65 6423-2638 or by email at [info@lyxoretf.com.sg](mailto:info@lyxoretf.com.sg), should you have questions regarding the above matter.

The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed in this announcement. **This announcement is published for your information only. If you are in any doubt about the content of this announcement, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.**