LION GLOBAL INVESTORS

28 February 2025

PROSPECTUS

Lion-China Merchants CSI Dividend Index ETF

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This document is important. If you are in any doubt as to the action you should take, you should consult your stockbroker, lawyer, accountant, tax adviser or other professional advisers.

Application was made on 22 November 2024 to the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for permission to list and deal in and for quotation of all the units of the Lion-China Merchants CSI Dividend Index ETF (the "**Fund**") which may be issued from time to time. The Fund has received a letter of eligibility from the SGX-ST for the listing and quotation of its units on the Main Board of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed in this prospectus (the "**Prospectus**") or reports referred to in this Prospectus. The Fund's eligibility-to-list on the Main Board of the SGX-ST and admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Fund or its units or of us, the manager of the Fund, Lion Global Investors Limited (the "**Manager**"). Acceptance of applications for the units of the Fund is conditional upon the issue of the units of the Fund under paragraph 14 of this Prospectus and permission being granted to list them on the SGX-ST. If such permission is not granted, the subscription amounts received will be returned to you (without any interest).

See "Risk Factors" under paragraphs 7 and 8 of this Prospectus for a discussion of certain factors to be considered in connection with an investment in the Units.

Lion-China Merchants CSI Dividend Index ETF
a Singapore unit trust authorised under
Section 286 of the Securities and Futures Act 2001

PROSPECTUS
(Registered by the Monetary Authority of Singapore on 24 January 2025)

This is a Replacement Prospectus lodged with the Monetary Authority of Singapore on 28 February 2025 pursuant to section 298 of the Securities and Futures Act 2001 and it replaces the Prospectus registered by the Monetary Authority of Singapore on 24 January 2025.

MANAGER
LION GLOBAL INVESTORS LIMITED

LION-CHINA MERCHANTS CSI DIVIDEND INDEX ETF

DIRECTORY

MANAGER

Lion Global Investors Limited
(Company Registration No. 198601745D)
65 Chulia Street
#18-01 OCBC Centre
Singapore 049513

TRUSTEE

HSBC Institutional Trust Services (Singapore) Limited
(Company Registration No. 194900022R)
10 Marina Boulevard
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Singapore 018983

DIRECTORS OF THE MANAGER

Teo Joo Wah (CEO)
Ronnie Tan Yew Chye
Sunny Quek Ser Khieng
Tung Siew Hoong
Gregory Thomas Hingston

CUSTODIAN

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Hong Kong

REGISTRAR

HSBC Institutional Trust Services (Singapore) Limited
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Marina Bay Financial Centre, Tower 2, #48-01
Singapore 018983

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Singapore 018936

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Singapore 059818

SOLICITORS TO THE TRUSTEE

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PRELIMINARY

This Prospectus has been prepared in connection with the offer in Singapore of units in the Fund ("**Units**"), a unit trust established under Singapore law by the deed of trust relating to the Fund (the "**Trust Deed**").

Our directors collectively and individually accept full responsibility for the accuracy of information contained in this Prospectus and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Prospectus constitutes full and true disclosure of all material facts about the Fund, the listing and quotation of its Units on the SGX-ST and us, and our directors are not aware of any facts the omission of which would make any statement in this Prospectus misleading. Where information in this Prospectus has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of our directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Prospectus in its proper form and context.

The collective investment scheme offered in this Prospectus, the Fund, is an authorised scheme under the Securities and Futures Act 2001 (the "**Securities and Futures Act**"). A copy of this Prospectus has been lodged with and registered by the Monetary Authority of Singapore (the "**Authority**"). The Authority assumes no responsibility for the contents of this Prospectus. Registration of this Prospectus with the Authority does not imply that the Securities and Futures Act, or any other legal or regulatory requirements have been complied with. The Authority has not, in any way, considered the investment merits of the Fund.

You should seek independent professional advice to ascertain (a) the possible tax consequences, (b) the legal requirements, or (c) any foreign exchange restrictions or exchange control requirements which you may encounter under the laws of the countries of your citizenship, residence or domicile, which may be relevant to the subscription, holding or disposal of Units in the Fund and you should be informed of and observe all such laws and regulations in any relevant jurisdiction that may apply to you.

Units are traded on SGX-ST at market prices throughout the trading day. Market prices for Units may, however, be different from their net asset value. Listing for quotation of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The distribution of this Prospectus and the offering, subscription, purchase, sale or transfer of the Units in certain jurisdictions may be restricted by law. You should be informed about and observe any such restrictions at your own expense and without liability to us. This Prospectus does not constitute an offer of, or an invitation to subscribe for or purchase, any of the Units in any jurisdiction in which such offer or invitation would be unlawful.

The inclusion of "China Merchants" in the name of the Fund reflects the collaboration between the Manager and China Merchants in relation to the Fund (which, as a Feeder Fund, will invest all or substantially all of its Net Asset Value in the China Merchants CSI Dividend ETF). For clarity, China Merchants is not a sub-manager or advisor in relation to the Fund, and the Fund is solely managed by the Manager.

Restriction on U.S. Persons on subscribing to the Fund

You shall not circulate to any other person, reproduce or otherwise distribute this Prospectus or any information contained in this Prospectus for any purpose whatsoever nor permit or cause the same to occur. In particular, please note that the Units have not been and will not be registered under the U.S. Securities Act of 1933, as may be amended (the "**U.S. Securities Act**") or any other applicable law of the United States. The Fund has not been and will not be registered as an investment company under the U.S. Investment Company Act of 1940, as may be amended. The Units are being offered and sold outside the United States to persons that are not "**U.S. Persons**" (as defined in Regulation S promulgated under the U.S. Securities Act) in reliance on Regulation S promulgated under the U.S. Securities Act and are not "United States Persons" (as defined in Section 7701(a)(30) of the U.S. Internal Revenue Code, as may be amended, and referred to in this Prospectus as "**U.S. Holders**"). The Units are not being offered or made available to U.S. Persons or U.S. Holders and nothing in this Prospectus is directed to or is intended for U.S. Persons or U.S. Holders.

For the purposes of the U.S. Securities Act, the term "**U.S. Person**" means: (i) any natural person resident in the United States; (ii) any partnership or corporation organized or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a U.S. Person; (iv) any trust of which any trustee is a U.S. Person; (v) any agency or branch of a non-United States entity located in the United States; (vi) any non-discretionary account 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; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and (viii) any partnership or corporation if (a) organized or incorporated under the laws of any non-United States jurisdiction and (b) formed by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act, unless it is organized or incorporated, and owned, by "**accredited investors**" (as defined in Regulation D promulgated under the U.S. Securities Act) who are not natural persons, estates or trusts.

For the purposes of the U.S. Internal Revenue Code, the term "**U.S. Holder**" includes: a U.S. citizen or resident individual of the United States; a partnership or corporation created or organized in the United States or under the law of the United States or any State of the United States, or the District of Columbia; an estate of a decedent that is a citizen or resident of the United States; or a trust if (i) a court within the United States is able to exercise primary supervision over the administration of the trust, and (ii) one or more U.S. Holders have the authority to control all substantial decisions of the trust.

Units are not and may not be offered, made available, sold to or for the account of any U.S. Persons or U.S. Holders. You may be required to declare that you are not a U.S. Person or U.S. Holder and that you are neither acquiring Units on behalf of U.S. Persons or U.S. Holders nor acquiring Units with the intent to sell or transfer them to U.S. Persons or U.S. Holders.

For the purposes of the U.S. Securities Act, the term "**U.S. Person**" does not include: (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organized, incorporated, or (if an individual), resident in the United States; (ii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person if (a) an executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate and (b) the estate is governed by non-United States law; (iii) any trust of which any professional fiduciary acting as trustee is a U.S. Person, if a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settler if the trust is revocable) is a U.S. Person; (iv) an employee benefit plan established and administered in accordance with the law of a country other than the United States; (v) an agency or branch of a U.S. Person located outside the United States if (a) the agency or branch operates for valid business reasons and (b) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (vi) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, any other similar international organizations, and their respective agencies, affiliates and pension plans.

Compliance Obligations

Onboarding

You consent to the collection, use and storage of any of your Personal Information and Account Information by us, the Trustee, the Custodian and/or our appointed representatives, agents and/or service providers (including but not limited to the Participating Dealers and the Central Depository (Pte) Limited) by any means necessary for us and/or the Trustee, the Custodian and/or our appointed representatives, agents and/or service providers to maintain appropriate transaction or account records and for disclosure and compliance with the Compliance Obligations.

You agree to provide Account Information and Personal Information to us and/or the Trustee and/or the Custodian and/or our appointed representatives, agents and/or service providers in such form and within such time as we and/or the Trustee and/or the Custodian and/or our appointed representatives, agents and/or service providers may require from time to time.

You agree to update us and/or the Trustee and/or the Custodian and/or our appointed representatives, agents and/or service providers promptly (and in any event no later than thirty (30) days from the date of change or addition) when there is a change or addition to the Account Information and/or Personal Information.

You acknowledge and agree that you are responsible for your own compliance with the Compliance Obligations.

Indemnity

You agree to indemnify us, the Trustee, the Custodian and/or our appointed representatives, agents and/or service providers, the Fund and its other investors for any losses resulting from your failure to meet your obligations under these Compliance Obligations provisions, including any withholding tax imposed on the Fund.

Disclosure

You acknowledge and agree that the Personal Information and Account Information provided may be disclosed during the life of the Fund and after its termination by us, the Trustee, the Custodian and/or our appointed representatives, agents and/or service providers to each other, counterparties, custodians, brokers, distributors, the U.S. Internal Revenue Service, the Inland Revenue Authority of Singapore or other applicable tax or other regulatory authorities in any jurisdiction for the purpose of compliance with the Compliance Obligations.

You irrevocably waive and agree to procure any Consenting Person to waive irrevocably (where reasonably required by us, the Trustee, the Custodian and/or our appointed representatives, agents and/or service providers), any applicable restrictions, provision of law and rights in law that would, absent a waiver, prevent disclosure by us, the Trustee, the Custodian and/or our appointed representatives, agents and/or service providers of the Personal Information and Account Information according to the provisions of this Prospectus.

Deduct/Close/Block Accounts

You agree that if you fail to provide or to update us, the Trustee, the Custodian and/or our appointed representatives, agents and/or service providers promptly with the Personal Information or Account Information, or provide to us, the Trustee, the Custodian and/or our appointed representatives, agents and/or service providers inaccurate, incomplete or false Personal Information or Account Information, or for whatever reason, we, the Trustee, the Custodian and/or our appointed representatives, agents and/or service providers are prevented (under Singapore law or otherwise) from disclosing the Personal Information or Account Information for the purpose of compliance with the Compliance Obligations, we and/or the Trustee may take one or more of the following actions at any time: deduct from or withhold part of any amounts payable to you by or on behalf of the Fund and/or close the account opened with us, the Trustee and/or the Fund (where such account has already been opened), or determine in our sole discretion not to open an account (where such account has not yet been opened).

Definitions

"**Account Information**" means any information or documentation relating to your account for the Units, including the account number, withholding certificate (e.g. W-9 or W-8 tax forms), Global Intermediary Identification Number (if applicable) or any other valid evidence of any FATCA registration with the U.S. Internal Revenue Service or a corresponding exemption, account balance or value, gross receipts, withdrawals and payments from your account.

"**Compliance Obligations**" means obligations of the Manager, the Trustee, the Custodian and/or the Fund to comply with:-

(a) FATCA;

(b) CRS; and

(c) any legislation, treaty, intergovernmental agreement, foreign financial institution agreement, regulation, instruction, or other official guidance of any Relevant Authority in any jurisdiction whether within or outside of Singapore, that is associated, similar or analogous to FATCA and/or CRS.

"**Consenting Person**" means any person other than you who is beneficially interested or financially interested in any payment made in relation to the Fund.

"**CRS**" means: (a) the Standard for Automatic Exchange of Financial Account Information in tax matters, developed and published by the Organisation for Economic Co-operation and Development ("**OECD**"), as may be amended from time to time; and (b) the Income Tax (International Tax Compliance Agreements) (Common Reporting Standard) Regulations 2016 and any official guidance issued by the Inland Revenue Authority of Singapore ("**IRAS**") or OECD from time to time, to facilitate implementation of the Common Reporting Standard (as each may be amended, modified, and/or supplemented from time to time). Such official guidance shall include, but is not limited to, the IRAS FAQs on the Common Reporting Standard published by the IRAS on 7 December 2016 (as updated/amended), Commentaries on Common Reporting Standard, Standard for Automatic Exchange of Financial Account Information in Tax Matters: Implementation Handbook and CRS-Related Frequently Asked Questions issued by OECD.

"**FATCA**" means: (a) Sections 1471 to 1474 of the United States Internal Revenue Code of 1986, as may be amended from time to time; and (b) the Income Tax (International Tax Compliance Agreements) (United States of America) Regulations 2015, the Singapore-US Intergovernmental Agreement on Foreign Account Tax Compliance Act and the e-Tax Guide on Compliance Requirements of the Singapore-US Intergovernmental Agreement on Foreign Account Tax Compliance Act issued by the IRAS (as each may be amended, modified, and/or supplemented from time to time).

"**Personal Information**" means information relating to you and any Consenting Person, and:-

(a) where you or any Consenting Person are/is an individual, the full name, date and place of birth, residential address, mailing address, contact information (including telephone number) and any identification number, social security number, citizenship(s), residency(ies), tax residency(ies), tax identification number, tax status, FATCA classification, U.S. Person status; and

(b) where you or any Consenting Person are/is a corporate or other entity, your/its date and place of incorporation or formation, registered address, address of place of business, tax identification number, tax status, FATCA and CRS classification, tax residency and such information as we and/or the Trustee and/or the Custodian may reasonably require regarding each of your and any Consenting Person's substantial shareholders and controlling persons.

"**Relevant Authority**" means any nation, any political subdivision thereof, whether state or local, any international organisation, and any agency, authority, instrumentality, judicial or administrative, regulatory body, law enforcement body, securities or futures exchange, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

Personal Data Protection Act

You consent to us, the Trustee, and/or our appointed representatives and/or agents (and such other Third Party Service Providers as we or the Trustee may engage, and who may be located outside Singapore) collecting, receiving, using, storing, disclosing and processing your Personal Data (as defined in the Personal Data Protection Act 2012) as set out in your application form, subscription form, account opening documents and/or otherwise provided by you or possessed by us or the Trustee, for one or more of the purposes as stated in the Personal Data Protection Statement (the "**PDPS**"):-

(a) as set out on our website at http://www.lionglobalinvestors.com, which in summary includes but is not limited to (i) processing your application for and providing you with our products and services as well as the services of Third Party Service Providers; and (ii) administering and/or managing your relationship and/or account(s) with us; and

(b) as set out on the relevant website of the Trustee at https://www.business.hsbc.com.sg/en-sg/regulations/privacy-and-security for HSBC Institutional Trust Services (Singapore) Limited.

"**Third Party Service Providers**" includes but is not limited to, trustees, custodians, registrars, transfer agents, auditors and/or other professional service providers used in the provision of products and services to you and you hereby further consent to them collecting, receiving, using, storing, disclosing and processing your Personal Data in their respective roles and capacities, where applicable.

The Units of the Lion-China Merchants CSI Dividend Index ETF are Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products) and prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

All enquiries in relation to the Fund should be directed to us, Lion Global Investors Limited.

DEFINITIONS

In this Prospectus, unless the context requires otherwise, the following expressions have the meanings set out below.

"Application" means an application by a Participating Dealer to the Registrar and us for the creation or redemption of Units, in accordance with the procedures for creation and redemption of Units set out in the Operating Guidelines and the terms of the Trust Deed.

"Application Basket" means a portfolio of Index Securities which constitute the Index Basket and/or units of the Underlying Fund fixed by us at the start of business on the relevant Dealing Day and/or the cash equivalent of the Index Securities and/or units of the Underlying Fund where applicable for the purpose of the creation and redemption of Units in an Application Unit size, notified on the relevant date by us in accordance with the Operating Guidelines for Applications.

"Application Basket Value" means the aggregate value of the Index Securities and/or units of the Underlying Fund and/or the cash equivalent of the Index Securities and/or units of the Underlying Fund where applicable constituting the Application Basket at the Valuation Point on the relevant Dealing Day.

"Application Cancellation Fee" means the fee payable by the Participating Dealer to the Trustee and/or the Custodian (as the case may be) in respect of a Default, as set out in the Trust Deed and the Operating Guidelines applicable at the time the relevant Creation Application or Redemption Application is made.

"Application Unit" means 50,000 Units or such higher number of Units in multiples of 1,000 Units or such other number of Units from time to time determined by us (with prior written notice to the Trustee and the Participating Dealers).

"associate" has the meaning ascribed to it in the listing manual of the SGX-ST.

"ATM" means automated teller machines.

"Authority" means the Monetary Authority of Singapore or its successors.

"Business Day" means (a) a day on which the SGX-ST and the Relevant Exchanges are open for normal trading, and (b) an Index Business Day, or such other day or days as may from time to time be determined by us and the Trustee.

"Cancellation Compensation" means an amount payable by a Participating Dealer to the Fund in respect of a Default, as set out in the Trust Deed and in the Operating Guidelines applicable at the time the relevant Creation Application or Redemption Application is made.

"Cash Component" means the difference between the aggregate Net Asset Value of the Units comprising an Application Unit and the Application Basket Value.

"CCASS" means the Central Clearing and Settlement System.

"CDP" means The Central Depository (Pte) Limited or any successor thereof established by the SGX-ST as a depository company which operates a central depository system for the holding and transfer of book-entry securities.

"ChiNext Market" means a sub-board of the SZSE established in October 2009 which aims to attract innovative and fast-growing enterprises, especially high-tech firms. It focuses on innovative growth companies and startups.

"Class" means any one of the classes of Units which may be issued pursuant to the Trust Deed.

"CNH" means the Chinese offshore RMB.

"Code" means the Code on Collective Investment Schemes issued by the Authority (as may be amended from time to time).

"Collective Investment Scheme" has the same meaning as in the Securities and Futures Act.

"Companies Act" means the Companies Act 1967 (as may be amended from time to time).

"Connected Person" has the meaning ascribed to it under the Securities and Futures Act, and the Listing Rules, and in relation to any firm or corporation or company (as the case may be) means:

(a) another firm or corporation in which the first mentioned firm or corporation has control of not less than 20 per cent. of the voting power in that other firm or corporation; and

(b) a director, chief executive officer or substantial shareholder or controlling shareholder of the company or any of its subsidiaries or an associate of any of them.

"Creation Application" means an application by a Participating Dealer to the Registrar and us for the creation and issue of Units in an Application Unit size (or such higher number of Units in multiples of 1,000 Units) in exchange for Index Securities and/or units of the Underlying Fund and/or the cash equivalent of the Index Securities and/or units of the Underlying Fund where applicable constituting the Application Basket and any applicable Cash Component.

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

"CSRC" means the China Securities Regulatory Commission.

"Custodian" means The Hongkong and Shanghai Banking Corporation Limited or its successors.

"Custodian Agreement" means the agreement to be entered into between the Trustee and the Custodian in respect of the Fund.

"Dealing Day" means each Business Day during the continuance of the Fund and/or such other day or days as we may from time to time determine with the prior approval of the Trustee, provided that if on such day, (i) the period during which the Relevant Exchanges are open for normal trading is reduced as a result of a Number 8 or higher Typhoon Signal, Black Rainstorm warning or other similar event (as set out on the Relevant Exchanges' websites), or (ii) Stock Connect (under the Northbound Trading Link) is closed for trading or not operational, such day shall not be a Dealing Day unless the Manager and the Trustee otherwise agree.

"Dealing Deadline" in relation to any particular place and any particular Dealing Day, means such time on that Dealing Day as we (with the prior approval of the Trustee) may from time to time determine.

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

(A) a Creation Application to deliver the requisite Application Basket or cash payment equivalent to the relevant Application Basket Value and any applicable Cash Component; or

(B) a Redemption Application to deliver the Units which are the subject of the Redemption Application and any applicable Cash Component.

"Deposited Property" means all the assets (including cash, if any) for the time being held or deemed to be held upon the trusts of the Trust Deed for the account of the Fund or Class (as the case may be) excluding any amount for the time being standing to the credit of the Distribution Account (as defined in the Trust Deed).

"Depository Agreement" means the Depository Services Agreement to be entered into between CDP, us and the Trustee containing the agreement on the arrangements relating to the Units being deposited with CDP pursuant to the listing of the Fund on the SGX-ST (as may be amended from time to time).

"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, any transaction or dealing and including, 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 us to be made for the purpose of (i) compensating or reimbursing the Fund for the difference between (a) the prices used when valuing the Securities of the 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 Fund with the amount of cash received by the Fund 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 Fund in order to realise the amount of cash required to be paid out of the Fund upon such redemption of Units and (ii) preventing the Net Asset Value of the Fund or Class (as the case may be) from being diluted by the high transactional costs which would be incurred by the Fund in connection with a large or significant Creation Application or Redemption Application.

"Excluded Investment Products" or "EIP" means any capital markets products that belong to a class of capital markets products listed in the Schedule to the Securities and Futures (Capital Markets Products) Regulations 2018.

"Extension Fee" means the fee payable by a Participating Dealer to the Trustee and/or the Custodian (as the case may be) because of the extension of any settlement period.

"Feeder Fund" means a fund which invests all or substantially all of its investments which are units or sub-units or participations in one underlying fund or underlying collective investment scheme with the same or substantially the same investment policy.

"Fund" means the Lion-China Merchants CSI Dividend Index ETF.

"HKSCC" means the Hong Kong Securities Clearing Company Limited.

"Income" means all interest, dividends and other sums deemed by us to be in the nature of income (including taxation repayments, if any) received or receivable by the Trustee in respect of the Deposited Property.

"Index" means the CSI Dividend Index or such other name by which the index may be known.

"Index Basket" means a portfolio of Index Securities as determined by us to be substantially similar in composition and weighting to the Index, provided that such portfolio shall comprise only whole numbers of the Index Securities and no fractions or, if we determine, shall comprise only round lots and not any odd lots.

"Index Business Day" means a day on which the Index is compiled and published by the Index Provider.

"Index Provider" means China Securities Index Co., Ltd., the party responsible for compiling the Index against which the Fund benchmarks its investments which holds the right to licence the use of such Index.

"Index Securities" means any securities which are for the time being constituent securities of the Index.

"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) we in good faith believe that any of the above is likely to occur.

"Investment and Borrowing Guidelines" means the investment and borrowing guidelines issued by the Authority as Appendix 1, Annexes 1A and 1B and Appendix 5 of the Code, as the same may be modified, amended, re-enacted or reconstituted from time to time by the Authority.

"IRAS" means the Inland Revenue Authority of Singapore or its successors.

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

"Listing Rules" means the listing rules for the time being applicable to the listing of the Fund as an investment fund on the SGX-ST (as may be amended from time to time).

"Manager" means Lion Global Investors Limited or its successors.

"Market" means SGX-ST or any other stock exchange on which Securities are listed and/or traded.

"MOF" means the PRC (hereinafter defined) Ministry of Finance.

"Net Asset Value" or "NAV" means (i) the net asset value of the Fund or, of a Unit calculated pursuant to the Trust Deed or (ii) the net asset value of the Underlying Fund or, of a unit calculated pursuant to its constitutive document, as the context may require.

"Notice on the Sale of Investment Products" means MAS Notice SFA 04-N12: Notice on the Sale of Investment Products (as may be amended from time to time).

"Notice on Recommendations on Investment Products" means MAS Notice FAA-N16: Notice on Recommendations on Investment Products (as may be amended from time to time).

"OCBC" means The Oversea-Chinese Banking Corporation Limited.

"Operating Guidelines" means the guidelines for the creation and redemption of Units set out in Schedule 1 to each Participation Agreement as may be amended from time to time by us or the Trustee with the written approval of each other and following consultation, to the extent reasonably practicable, with the relevant Participating Dealer and as notified in writing to the relevant Participating Dealer. Unless otherwise specified, references to the Operating Guidelines shall be to the Operating Guidelines for the Fund applicable at the time of the relevant Application.

"Parent Index" means the CSI All Share Index.

"Participating Dealer" means a broker or dealer which has entered into a Participation Agreement in form and substance acceptable to us and the Trustee.

"Participation Agreement" means an agreement entered into between the Trustee, us and a Participating Dealer setting out, amongst other things, the arrangements in respect of the issue, redemption and cancellation of Units of the Fund.

"Permissible Investment" means such investment as may be permitted to be made by the Fund under the Code and (for so long as Units of the Fund are EIPs and prescribed capital markets products) the Notice on the Sale of Investment Products, the Notice on Recommendations on Investment Products or the Securities and Futures (Capital Markets Products) Regulations 2018 issued, or as may be permitted to invest in, by the Authority.

"PRC" means People's Republic of China.

"prescribed capital markets products" shall have the meaning as set out in the Securities and Futures (Capital Markets Products) Regulations 2018, as the same may be modified, amended or revised from time to time.

"Recognised Stock Exchange" means an international stock exchange that is approved by us and the Trustee, including but not limited to the SGX-ST and the Relevant Exchanges.

"Redemption Application" means an application by a Participating Dealer to the Registrar and us for the redemption of Units in Application Unit size (or such higher number of Units in multiples of 1,000 Units) in exchange for the relevant Index Securities and/or units of the Underlying Fund and/or the cash equivalent of the Index Securities and/or units of the Underlying Fund where applicable constituting the Application Basket and any applicable Cash Component.

"Redemption Value" means, in respect of a Unit, the price per Unit at which such Unit is redeemed, calculated in accordance with the Trust Deed.

"Register" means the register of Unitholders of the Fund.

"Registrar" means the Trustee or such other person as may from time to time be appointed by the Trustee to keep and maintain the Register.

"Relevant Exchanges" means the stock exchanges on which the Index Securities and/or the units of the Underlying Fund are listed and/or traded, and a "Relevant Exchange" means any one of them.

"RMB" means Renminbi Yuan, the lawful currency of the PRC.

"SAFE" means the State Administration of Foreign Exchange of the PRC.

"Securities Account" means a Securities account or sub-account maintained by a Depositor (as defined in Section 130A of the Companies Act) with the CDP.

"Securities and Futures Act" means the Securities and Futures Act 2001 (as may be amended from time to time).

"Security(ies)" means any unit or interest in a collective investment scheme, share, stock, debenture, loan stock, bond, security, commercial paper, acceptance, depository receipt, trade bill, treasury bill, instrument or note of, or issued by or under the guarantee of, any body, whether incorporated or unincorporated, 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;

(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,

provided that each of such Securities falling within paragraphs (A) to (E) of this definition shall be a Permissible Investment under the Code.

"SEHK" means the Stock Exchange of Hong Kong Limited or its successors.

"Settlement Day" means any Business Day up to two Business Days after the relevant Dealing Day (or such later Business Day as is permitted in relation to such Dealing Day pursuant to the Operating Guidelines) or such other number of Business Days after the relevant Dealing Day as we and the Trustee may from time to time agree and notify to the Participating Dealer.

"SGX-ST" means the Singapore Exchange Securities Trading Limited or its successors.

"SHSE" means the Shanghai Stock Exchange or its successors.

"Singapore dollar" or "SGD" or "S$" means the lawful currency of Singapore.

"STA" means the PRC State Taxation Administration.

"STAR Market" means the Shanghai Stock Exchange Science and Technology Innovation Board, a sub-board of the SHSE established in 2019 for science and technology focused companies.

"Stock Connect" means the securities trading and clearing linked program developed by the Hong Kong Exchanges and Clearing Limited, the SHSE, the SZSE and CSDCC, with the aim of achieving mutual stock market access between PRC and Hong Kong. It comprises of the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

"SZSE" means the Shenzhen Stock Exchange or its successors.

"Trading Member" refers to an individual or corporation granted trading privileges by the SGX-ST.

"Transaction Fee" means the fee payable by a Participating Dealer to the Trustee and/or the Registrar (as the case may be) on each Application made by the Participating Dealer.

"Trust Deed" means the Trust Deed constituting the Fund dated 24 January 2025 between us and the Trustee, as may be amended, supplemented or restated from time to time.

"Trustee" means HSBC Institutional Trust Services (Singapore) Limited or such other person or persons for the time being duly appointed as trustee or trustees hereof in succession thereto under the provisions of Clause 29 of the Trust Deed.

"Unauthorised US Person" means (i) a US person within the meaning of Rule 902 of the United States Securities Act of 1933, as may be amended, (ii) a US resident within the meaning of the United States Investment Company Act of 1940, as may be amended, or (iii) any person that would not qualify as a Non-United States person within the meaning of United States Commodity Futures Trading Commission Rule 4.7(a)(1)(iv).

"Underlying Fund" means, in the context of the Lion-China Merchants CSI Dividend Index ETF, the China Merchants CSI Dividend ETF.

"Underlying Fund Contract" means the fund contract relating to the Underlying Fund entered into between the Underlying Fund Manager, the Underlying Fund Custodian and the Underlying Fund unit holders, as the same may be amended from time to time.

"Underlying Fund Custodian" means, in the context of the China Merchants CSI Dividend ETF, Shanghai Pudong Development Bank Co., Ltd.

"Underlying Fund Manager" means, in the context of the China Merchants CSI Dividend ETF, China Merchants Fund Management Co., Ltd.

"Unit" means one undivided share or interest in the Deposited Property or the portion of the Deposited Property attributed to the relevant Class (as the case may be).

"Unit Trust" means any arrangement made for the purpose, or having the effect, of providing facilities for the participation by persons, as beneficiaries under a trust, in profits or income arising from the acquisition, holding, management or disposal of securities or any other property whatsoever or in respect of any such arrangement which offers more than one class of units to participating persons (each representing a separate portfolio acquiring, holding, managing or disposing as aforesaid) means each such class of units.

"Unitholder" means a holder of Units.

"Valuation Point" means the official close of trading of the Relevant Exchanges on each Dealing Day on which the units of the Underlying Fund and/or the Index Securities are listed or traded or such other time or times as determined by us with the prior written approval of the Trustee (and the Trustee shall determine if Unitholders should be informed of such changes) 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 or any other dealings in the Units.

Unless otherwise stated, all terms not defined in this Prospectus have the same meanings as used in the Trust Deed.

Key Information

The following table is a summary of key information in respect of the Fund and should be read in conjunction with the full text of this Prospectus.

Instrument Type	Exchange Traded Fund ("**ETF**")
Tracked Index	CSI Dividend Index
Listing Date	28 March 2025
Exchange Listing	SGX-ST
SGX Trading/Counter Name	SGD Class Units Primary Currency: Lion-CM CSI Div S$ Secondary Currency: Lion-CM CSI Div CNH
Stock Code	SGD Class Units Primary Currency: INC Secondary Currency: ICH
Trading Board Lot Size	1 Unit
Base Currency	Singapore dollar (SGD)
Class	SGD Class Units
Trading Currencies	SGD Class Units Primary Currency: SGD Secondary Currency: CNH
Dividend Distribution	Annually
Creation / Redemption in cash or in-kind[1] (applicable to Participating Dealers)	Application Unit size of 50,000 Units (or such higher number of Units in multiples of 1,000[2] Units).
Manager	Lion Global Investors Limited
Trustee	HSBC Institutional Trust Services (Singapore) Limited
Registrar	HSBC Institutional Trust Services (Singapore) Limited
Custodian	The Hongkong and Shanghai Banking Corporation Limited
Web Site	www.lionglobalinvestors.com
Investor Profile	The Fund is only suitable for investors who: • seek an 'index-based' approach to investing in the high dividend yield listed companies of the China equities market; • seek investment results that track as closely as possible, before fees and expenses, the performance of the Index, by investing in units of the Underlying Fund; and • are comfortable with the volatility and risks of an equity fund which seeks to invest all or substantially all of its Net Asset Value into the Underlying Fund.

[1] Currently, in-kind subscriptions or redemptions are not permitted. In-kind subscriptions or redemptions may be permitted at the discretion of the Manager in the future and investors are advised to check with the Manager or the Participating Dealers with regards to the same. Please refer to paragraph 15.1 for more information.

[2] Application Unit size is at the discretion of the Manager. Application Unit size may be less than 50,000 and in multiples of 1 Unit during the Initial Offer Period. Please refer to paragraph 15.1 for more information.

1. LION-CHINA MERCHANTS CSI DIVIDEND INDEX ETF

The Fund is a Singapore standalone unit trust constituted under Singapore law and established by way of a deed of trust dated 24 January 2025 (the "**Trust Deed**"). The parties to the Trust Deed are us and HSBC Institutional Trust Services (Singapore) Limited, as the trustee (the "**Trustee**"). A copy of the Trust Deed is available for inspection at our registered office at 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513. Unless expressly provided for in the Trust Deed or allowed under applicable laws, the assets of the Fund shall at all times belong to the Fund and be segregated from the assets of the Trustee, and shall not be used to discharge the liabilities of or claims against the Trustee or any other fund for which the Trustee acts as trustee.

You should note that the Fund differs from a typical unit trust offered in Singapore. The Units of the Fund are listed on the SGX-ST and trade like any other equity security listed on the SGX-ST. Only Participating Dealers may purchase or redeem Units directly from the Fund at the Net Asset Value. You may purchase and sell Units in the Fund on the SGX-ST or through a Participating Dealer, subject to such terms and conditions as may be imposed by the Participating Dealer.

Classes

We have the discretion to establish different classes of Units (each a "**Class**" and collectively the "**Classes**") from time to time. Currently, SGD Class Units (denominated in SGD) have been established within the Fund.

The Classes in the Fund may differ, amongst other things, in terms of the currency of denomination, dividend payouts, hedging policy, etc.

All Classes will constitute the Fund and are not separate funds. Any expense, income and/or gain which is attributable to a particular Class shall be deducted from or added to (as the case may be) the value of the Fund which is attributable to that Class.

A separate Net Asset Value per Unit will be calculated for each Class. The Net Asset Value per Unit of each Class will be calculated on each Dealing Day in the currency of the relevant Class. It is calculated based on forward pricing and is determined based on the Net Asset Value as at the Valuation Point on the relevant Dealing Day on which applications for Units are received, of the proportion of the Deposited Property of the Fund or Class represented by 1 Unit and truncated to three decimal places (or such other number of decimal places or such other truncation or rounding method as we may from time to time determine with the approval of the Trustee).

Each Unit represents an undivided share in the Deposited Property or the portion of Deposited Property attributable to the relevant Class. The rights, interests and obligations of Holders are contained in the Trust Deed.

2. REGISTRATION AND EXPIRY DATE

The date of registration of this Prospectus by the Authority is 24 January 2025 (which has been replaced by a Replacement Prospectus with effect from 28 February 2025). This Prospectus shall be valid for a period of 12 months after the date of registration (i.e., up to and including 23 January 2026) and shall expire on 24 January 2026.

3. INVESTMENT OBJECTIVE

The investment objective of the Fund is to track as closely as possible, before fees and expenses, the performance of the CSI Dividend Index ("**Index**"), by investing in units of the China Merchants CSI Dividend ETF (the "**Underlying Fund**").

You should note that the Fund has no ability to control the manner with which the Underlying Fund makes its investments and that the Underlying Fund may invest up to 10% of its Net Asset Value in non-constituent securities, as disclosed in paragraph 4 below. There is no guarantee that the Fund's investment objective will be achieved.

4. INVESTMENT POLICY OF THE FUND

4.1 Investment Approach and Strategy

The Fund is a Feeder Fund and seeks to achieve its investment objective by investing all or substantially all of its Net Asset Value into the Underlying Fund directly and/or indirectly via the Stock Connect (i.e. through the SHSE on which the Underlying Fund is listed) and/or through any permissible means available to the Fund under prevailing laws and regulations. The Underlying Fund is an exchange traded fund listed on the SHSE that tracks the performance of the Index. The Fund will, as a Feeder Fund, invest all or substantially all of its Net Asset Value into the units of the Underlying Fund.

The manager of the Underlying Fund is China Merchants Fund Management Co., Ltd. (the "**Underlying Fund Manager**"). The Underlying Fund is not authorised by MAS and will not be directly offered to the public in Singapore. You should note that while the Underlying Fund will invest no less than 90% of its Net Asset Value in constituent securities of the Index and alternative constituent securities, the Underlying Fund has a discretion to invest up to 10% of its Net Asset Value in non-constituent securities. The Fund has no ability to control the manner in which the Underlying Fund will make investments in accordance with the Underlying Fund's investment objective and strategy (which may change from time to time). Please refer to Appendix II of this Prospectus for general information on the Underlying Fund.

There will be no change to the investment objective and/or investment policy of the Fund during the 3-year period commencing from the date of this Prospectus, unless (i) any such change is approved by an Extraordinary Resolution of Unitholders in a general meeting or (ii) such prohibition on changes to the investment objective and/or investment policy of the Fund is waived by the SGX-ST. Where there is any change to the investment strategy adopted for the Fund, such changes will be announced by us through SGXNET. A list of the holdings of the Fund will be published in the monthly fund factsheet which is available on our website at www.lionglobalinvestors.com.

4.2 Investment Objective, Focus and Approach of the Underlying Fund

The investment objective of the Underlying Fund is to closely track the Index to minimise the tracking difference and tracking error.

The Underlying Fund mainly invests in the constituent securities of the Index and alternative constituent securities.

To better achieve the investment objective of the Underlying Fund, the Underlying Fund can invest in non-constituent securities offered and listed domestically according to law (including stocks listed on the small and medium enterprise board or the growth enterprise market and other stocks and depositary receipts listed with the approval of the CSRC), bonds (including government bonds offered and listed domestically according to law, central bank bills, financial bonds, enterprise bonds, corporate bonds, medium-term notes, short-term financing paper, ultra-short-term financing paper, subordinated bonds, government-backed institution bonds, government-backed bonds, local government bonds, convertible bonds, exchangeable bonds and other bonds that can be invested in as permitted by the CSRC), money market instruments, interbank deposit certificates, bond repos, asset-backed securities, bank deposits, stock index futures, stock options, government bond futures and other financial instruments the Underlying Fund is allowed to invest in by the laws and regulations or the CSRC (provided that the relevant rules of the CSRC must be complied with).

The Underlying Fund may participate in margin trading business and securities lending in refinancing business in accordance with the relevant laws and regulations and provisions of the Underlying Fund Contract.

The proportion of the Underlying Fund's portfolio is as follows: assets invested by the Underlying Fund in the constituent securities of the Index and alternative constituent securities shall account for no less than 90% of the NAV of the Underlying Fund and no less than 80% of the non-cash fund assets. At the end of each trading day, the Underlying Fund shall keep cash no less than one time the transaction deposits after excluding the transaction deposits required to be paid for government bond futures contracts, stock index futures contracts and stock options contracts.

Specifically, cash does not include settlement provisions, deposits paid and subscription amount receivable, among others. The proportion of assets invested in stock index futures, stock options and government bond futures shall comply with the relevant laws and regulations or the rules of regulatory authorities.

In the event that the laws, regulations or regulatory authorities allow the Underlying Fund to invest in other categories in the future, the Underlying Fund Manager may expand the scope of investment accordingly after completing due formalities.

The Underlying Fund mainly adopts the full replication method. In other words, the Underlying Fund builds its equity investment portfolio in exact accordance with the combination of constituent securities of the Index and their weightings, and makes corresponding adjustments based on changes in the constituent securities of the Index and their weightings. However, if the Underlying Fund is unable to invest all its assets in the constituent securities of the Index due to special circumstances, the Underlying Fund Manager may adopt other index investing techniques, such as the constituent securities substitution strategy, to appropriately adjust its investment portfolio so as to achieve the objective of closely tracking the Index. Special circumstances include but are not limited to: (1) legal and regulatory restrictions; (2) significantly insufficient liquidity of the constituent securities of the Index; (3) trading in the constituent securities of the Index has been suspended for a long time; (4) a rights issue or a follow-on offering is underway with respect to the constituent securities of the Index; (5) cash dividends are being paid out with respect to the constituent securities of the Index; (6) the method for compiling the Index has changed; and (7) other valid reasons that may significantly restrict the Underlying Fund's ability to track the Index.

The Underlying Fund seeks to control the absolute value of the daily tracking difference within 0.2%, and the annual tracking error within 2%. If the tracking error exceeds the above-mentioned limit due to adjustments to the rules for compiling the Index or other factors, the Underlying Fund Manager shall take reasonable measures to avoid the further increase of the tracking error. The average historical tracking difference and average historical tracking error of the Underlying Fund, between 27 December 2019 to 30 November 2024, is 0.05% and 1.55% respectively.

Other investment strategies of the Underlying Fund include:

Debt investment strategy

The Underlying Fund Manager will conduct reasonable interest rate expectations, judge the basic trend of the bond market, and develop asset allocation strategies with duration control based on an in-depth analysis of the macroeconomic conditions both at home and abroad and the impact of domestic fiscal policy and monetary policy and other factors on the bond market. During the course of constructing and managing the debt investment portfolio, the Underlying Fund Manager will select individual bonds by using management tools such as duration structure allocation, market switch, judgment on credit spread and relative value, credit risk evaluation and cash management, among others. The objective of the Underlying Fund's debt investment is to reduce the tracking error while ensuring the liquidity of the Underlying Fund's assets.

Investment strategy for asset-backed securities

The Underlying Fund will analyze the quality and composition of and the interest rate risk, credit risk, liquidity risk and early repayment risk associated with the underlying assets of the asset-backed securities, evaluate its relative investment value and make the corresponding investment decision based on its analysis of the macro economy and fundamentals. The Underlying Fund is permitted to invest in asset-backed securities with a credit rating of BBB and above.

Investment strategy for financial derivatives

In addition, to better achieve its investment objectives, the Underlying Fund may invest in stock index futures, stock options and other financial derivatives as permitted by the CSRC, such as government bond futures and other derivatives related to the Index, constituent securities of the Index or alternative constituent securities.

The Underlying Fund will mainly select liquid and tradable derivatives contracts for trading based on the principle of risk management.

Strategy for participating in the margin trading business and securities lending in refinancing business

To better achieve its investment objectives, the Underlying Fund may participate in the margin trading business and securities lending in refinancing business based on the needs of investment management, provided that it has strengthened efforts to guard against risks and complies with the principle of prudence. While participating in the margin trading business, the Underlying Fund will seek to exploit the leverage role of margin trading to reduce the tracking error resulting from the Underlying Fund's low positions due to subscription so as to achieve the objective of effectively tracking the Index. The maximum level of leverage permitted is 140%. While participating in securities lending in refinancing business, the Underlying Fund will reasonably determine the scope, duration and percentage of securities to be lent based on its analysis of market conditions, investor type and structure, the Underlying Fund's subscription and redemption history, liquidity of the securities to be lent and other factors. In case of changes in laws and regulations relating to the margin trading business and securities lending in refinancing business, the Underlying Fund will comply with the latest provisions to align with changes in the above-mentioned laws, regulations and regulatory requirements.

Investment strategy for depositary receipts

Given its investment objectives and equity investment strategy, the Underlying Fund will only invest in depositary receipts which are constituents of the Index, based on its in-depth research and judgment of the investment value of the underlying securities, provided that risks are under control.

Going forward, based on the development of the market and the requirements of the Underlying Fund's management and operation, the Underlying Fund Manager may correspondingly adjust or update its investment strategies after completing due formalities while complying with the provisions of laws and regulations, and make public such adjustments or updates in the updated prospectus, provided that the Underlying Fund's investment objectives remain unchanged.

The Manager has no ability to control the manner in which the Underlying Fund Manager will make investments in accordance with the Underlying Fund's investment objective and strategy (which may change from time to time). The Fund's performance and its ability to meet its investment objective are largely dependent on the Underlying Fund's performance. There can be no assurance that the Underlying Fund's investment objective and strategies will be successfully achieved or that the Fund or the Underlying Fund will yield attractive returns.

5. THE INDEX

The Index comprises 100 Shanghai-listed or Shenzhen-listed A shares with (i) high cash dividend yields, (ii) stable dividends and (iii) a certain scale and liquidity, weighted based on their dividend yields to reflect the overall performance of the high-dividend stocks in the A-share market. Please refer to Appendix I of this Prospectus for general information on the Index.

The description of the Index methodology and the latest information relating to the Index is available at https://www.csindex.com.cn/zh-CN/indices/index-detail/H11078#/indices/family/detail?indexCode=000922.

6. INVESTMENT RESTRICTIONS AND BORROWING POLICY OF THE FUND

The Fund is subject to the investment guidelines, restrictions and borrowing limits set out in the Code, which guidelines, restrictions and limits may be amended from time to time by the Authority.

As at the date of this Prospectus, Units of the Fund are classified as EIPs and prescribed capital markets products. For so long as the Units are EIPs and prescribed capital markets products, the Fund does not and will not invest in any product or engage in any transaction which may cause the Units not to be regarded as EIPs and prescribed capital markets products (unless otherwise permitted by the Authority).

The Lion-China Merchants CSI Dividend Index ETF and the China Merchants CSI Dividend ETF will comply with the requirements of the Circular No. CFC 03/2022 Guidance on Requirements that are Applicable to Exchange Traded Funds Participating in the SZSE-SGX and SHSE-SGX ETF Links issued by the MAS.

As at the date of this Prospectus, we do not intend to invest the Fund's assets in financial derivative instruments to optimise returns. Financial derivative instruments such as forwards, futures, options and warrants may be employed to passively hedge any foreign currency exposure of the Fund and/or for the purpose of efficient portfolio management. The Fund will not invest in commodities, unlisted securities and precious metals.

Subject to the borrowing restrictions in the Code and the Trust Deed, the Trustee may at any time at our request concur with us in making and varying arrangements for the borrowing (including entering into overdraft facilities) by the Trustee for the account of the Fund of any currency for the following purposes:-

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

(b) enabling us to acquire Securities for the account of the Fund; or

(c) for any other proper purpose as may be agreed by us and the Trustee from time to time.

The Fund may borrow, on a temporary basis, for the purposes of meeting redemptions and bridging requirements. Aggregate borrowings for such purposes should not exceed 10% of the Fund's Net Asset Value at the time the borrowing is incurred and the borrowing period should not exceed one month.

We may from time to time formulate such other investment and borrowing restrictions to apply to the Fund as we may in our sole discretion think fit, subject to the investment guidelines, restrictions and borrowing limits set out in the Code.

We will not engage in securities lending or repurchase transactions for the Fund.

7. RISK FACTORS

The Fund is subject to the following principal risks. Some or all of the following risks may adversely affect the Fund's Net Asset Value, yield, total return and/or its ability to achieve its investment objective. You should note the following risk factors associated with investing in the Fund. The following statements are intended to be summaries of some of those risks. They are by no means exhaustive and they do not offer advice on the suitability of investing in the Fund. You should carefully consider the risk factors described below together with all of the other information included in this Prospectus before deciding whether to invest in Units of the Fund.

7.1 Market Risk

The Net Asset Value of the Units will fluctuate with changes in the market value of the Securities held by the Fund. The price of Units and the income from them may go down as well as up. You may not get back your original investment. Investment in the Fund involves risks similar to those inherent in investing in equity securities traded on an exchange, such as market fluctuations caused by factors like economic and political developments, changes in interest rates and foreign exchange. A significant decline in the value of the Index can therefore be expected to result in a similar decline in the Net Asset Value of the Units.

7.2 Single Country/Concentration Risk

The Fund is subject to concentration risk as a result of tracking the performance of a single country (i.e. PRC). Where the Fund invests in a single or a few select countries, it will be exposed to fluctuations in the economies of these countries, which may affect the market price of its investments in these countries. Exposure to a single or limited number of countries also increases the potential volatility of the Fund due to the increased concentration risk as they are less diversified compared to exposure to specific regional or global markets.

7.3 Emerging Markets Risk

Investments in securities of emerging markets (i.e. PRC securities) are in general more volatile than those of developed countries, with the result that the Units may be subject to greater price volatility.

Some emerging markets do not have well-developed or consolidated bodies of securities laws and regulatory frameworks. There may be less public information on companies listed on such markets as compared to other stock markets and such public information, if available, may not be available in English. Trading volume in emerging markets may be substantially less than in the world's leading stock markets and trading may have to be conducted at unfavourable prices. Securities of companies domiciled in emerging markets are less liquid and more volatile than those domiciled in more developed stock markets and this may result in fluctuations in the price of the Units. Emerging markets may not have fully developed custodian and settlement services and therefore investments in such markets are subject to a greater degree of risk. There may also be state regulations governing the outward remittance by foreign investors of their share of net profits and dividends and the repatriation of their investments in a foreign currency.

7.4 Foreign Security Risk

An investment in Units of the Fund involves risks similar to those of investing in a broad-based portfolio of equity securities traded on exchanges in the relevant overseas securities market, including market fluctuations caused by factors such as economic and political developments, changes in interest rates and perceived trends in stock prices. The principal risk factors, which could decrease the value of your investment, are listed and described below:

- less liquid and less efficient securities markets;
- greater price volatility;
- exchange rate fluctuations and exchange controls;
- less publicly available information about issuers;
- the imposition of restrictions on the repatriation of funds or other assets of the Fund;
- higher transaction and custody costs and delays and risks of loss attendant in settlement procedures;
- difficulties in enforcing contractual obligations;
- lesser levels of regulation of the securities markets;
- different accounting, disclosure and reporting requirements;
- more substantial government involvement in the economy;
- higher rates of inflation; and
- greater social, economic, and political uncertainty and the risk of nationalization or expropriation of assets and risk of war or terrorism.

7.5 The Fund is Not Actively Managed

The Fund, through its investment in the Underlying Fund, has exposure to the Index Securities included in the Index and is not actively managed. We do not attempt to select stocks individually in order to outperform the market or to take defensive positions in declining markets. The Fund may, however, through its investment in the Underlying Fund, be exposed to active management as the Underlying Fund Manager has a discretion to invest up to 10% of the Underlying Fund's assets in non-Index constituents to enable the Underlying Fund to better achieve its investment objectives. Please refer to Appendix II of this Prospectus for information on the investment approach and focus of the Underlying Fund.

7.6 Tracking Error Risk

Factors such as the investment strategies used by the Fund and the Underlying Fund, fees and expenses of the Fund and the Underlying Fund, imperfect correlation between the Underlying Fund's assets and the Index Securities constituting the Index, the Underlying Fund's inability to hold the exact constituents of the Index, rounding of share prices, changes to the Index, transaction costs incurred by the Fund, the requirements to comply with PRC Withholding Income Tax ("**WHT**") applicable to non-PRC incorporated ETFs and costs to the Fund for complying with various new or existing regulatory policies may affect the Fund's ability to achieve close correlation with the performance of the Index. This risk may be heightened during times of

increased market volatility or other unusual market conditions. Additionally, the Underlying Fund has a discretion to hold up to 10% of its assets in non-Index constituents, which may result in imperfect correlation between the Underlying Fund's assets and the Index Securities constituting the Index. As a Feeder Fund, the Fund will similarly be exposed to such imperfect correlation. The Fund's returns may therefore deviate from the Index and there is no assurance that the Fund will be able to fully track the performance of the Index. Re-investing the cash dividends (if any) received for the equity holdings of the Fund is also done to keep the Fund's cash holdings to a low level that is operationally optimal while minimising tracking error. The Fund, through its investment in the Underlying Fund, may have exposure to securities which are not constituents of the Index.

You may obtain information on the tracking error and tracking difference of the Fund (once available) from the Manager's website at www.lionglobalinvestors.com.

7.7 Stock Exchange Closure Risk

As the Fund, through its investment in the Underlying Fund, tracks securities listed on the Relevant Exchanges, the Fund is subject to risk that trading on any of the Relevant Exchanges is suspended, restricted or disrupted for any reason, or that market developments affecting the Index Securities and/or units of the Underlying Fund occur on days or during any period when any of the Relevant Exchanges is closed for trading (e.g. typhoon or other natural disasters) which may adversely affect the value of the Index Securities and/or units of the Underlying Fund.

7.8 Foreign Exchange Risk

As the securities invested into may be denominated in currencies other than SGD, any fluctuation in the exchange rate of such currencies (i.e. RMB) against the base currency of the Fund (i.e. SGD) may have an impact on the income of the Fund and affect the value of the Units.

Currently, we do not intend to hedge the foreign currency exposure of the Fund. In the event any such foreign currency exposure is hedged, we will adopt a passive hedging strategy (i.e. hedging of foreign currency exposure will mirror the Index).

7.9 Trading Risk

The Fund is structured as an index fund and the Net Asset Value of its Units will fluctuate with changes in the market value of the Index Securities, which the Fund has exposure to through its investment in the Underlying Fund. The market prices of Units will fluctuate in accordance with changes in Net Asset Value and supply and demand on any exchange on which the Units are listed. We cannot predict whether the Units will trade below, at or above their Net Asset Value. Price differences may be due, in large part, to the fact that supply and demand forces in the secondary trading market for the Units will be closely related, but not identical, to the same forces influencing the prices of the Securities trading individually or in the aggregate at any point in time. Given that the Units must be created and redeemed in an 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), we believe that ordinarily large discounts or premiums to the Net Asset Value of Units should not be sustained. If we suspend creations and/or redemptions of Units of the Fund, we expect larger discounts or premiums.

7.10 Absence of Prior Active Market

Although application has been made for the Units to be listed for trading on the SGX-ST, there can be no assurance that an active trading market will be developed or be maintained. There is no certain basis for predicting the actual price levels at, or sizes in, which the Units may trade. Further, there can be no assurance that you will experience trading or pricing patterns similar to those of market-traded shares which are based upon indices other than the Index.

7.11 Creation and Redemption through Participating Dealers

You may not create or redeem Units directly with us and can only create or redeem Units through Participating Dealers if you are a client of the relevant Participating Dealer. The Participating Dealers are under no obligation to agree to do so on your behalf and may impose terms and conditions in connection with such creation or redemption orders from you. Each Participating

Dealer may, in its absolute discretion, refuse to accept a creation order from you and can charge such fees as it may determine. The willingness of a Participating Dealer to redeem Units may depend upon, but is not limited to, that Participating Dealer's ability to sell units of the Underlying Fund and/or the relevant Index Securities as well as any agreement which may be reached between you and the Participating Dealer. The Participating Dealer will not be able to create or redeem Units during any period when, amongst other things, dealings on the SGX-ST are restricted or suspended, settlement or clearing of securities through the CDP is disrupted or the Index is not compiled or published. In addition, the Participating Dealer will not be able to create or redeem Units if some other event occurs which impedes the calculation of the Net Asset Value of the Fund or disposal of the Fund's Securities cannot be effected.

7.12 Risk Inherent in Index Securities

As the Fund, through its investment in the Underlying Fund, has exposure to Index Securities, the prices of Units may fluctuate in response to, amongst other factors, changes in interest rates, foreign exchange, economic and political conditions and the financial condition of issuers of the Index Securities. In particular, the Fund's value is dependent on the overall performance of the markets or sectors to which such Index Securities are exposed or invested or carry on business in.

7.13 Lack of Discretion by Manager to Adapt to Market Changes

The Fund, through its investment in the Underlying Fund, will passively reflect the weightage of companies whose securities are included in the Index. Therefore, adverse changes in the financial condition or share performance of any company included in the Index will not result in the sale of the shares of such company by the Fund, and will be likely to adversely affect the Fund's Net Asset Value and the trading price of the Units. We will have limited discretion to remove the securities of such company from the Fund. A fall in the Index may result in a corresponding fall in the Fund's Net Asset Value.

7.14 Trading in Units on the SGX-ST may be Suspended or Delisted

You will not be able to purchase or sell Units on the SGX-ST during any period when the SGX-ST suspends trading in the Units. The SGX-ST may suspend the trading of Units whenever, amongst other factors, the SGX-ST determines that it is necessary or expedient in the interest of maintaining a fair, orderly and transparent market. The creation and redemption of Units will also be suspended if the trading of Units on the SGX-ST is suspended. The SGX-ST imposes certain requirements for the continued listing of securities, including the Units, on the SGX-ST. We cannot assure you that the Fund will continue to meet the requirements necessary to maintain the listing of Units on the SGX-ST or that the SGX-ST will not change the listing requirements. The Fund may be terminated if Units are delisted from the SGX-ST or if the CDP is no longer able to act as the depository for the Units listed on the SGX-ST. Dealings of Units on the SGX-ST may not necessarily be suspended if the creation and redemption of Units is temporarily suspended by us in accordance with the terms of the Trust Deed. If the creation and redemption of Units is temporarily suspended, the trading price of the Units may be adversely affected and differ from the Net Asset Value of the Fund.

7.15 Fund is Not a Typical Unit Trust

You should note that the Fund is not like a typical unit trust offered to the public in Singapore. Units may only be created and redeemed in an Application Unit size by Participating Dealers and Units may not be subscribed for, or redeemed, directly by you. For so long as the Units are listed for quotation on the SGX-ST, you shall have no right to request us to redeem or purchase your Units. Participating Dealers will not be able to create or redeem Units during any period when, amongst other things, dealings on the SGX-ST are restricted or suspended, settlement or clearing of securities in CDP is disrupted or the Index is not compiled or published. You may generally only realise the value of your Units by selling your Units on the SGX-ST. However, you may not be able to find a buyer on the SGX-ST when you wish to sell your Units. While the Fund intends to appoint at least one market maker to assist in creating liquidity for investors, liquidity is not guaranteed and trading of Units on the SGX-ST may be illiquid or suspended in certain situations.

These features are not usually present in a typical unit trust offered to retail investors in Singapore, where units can generally be purchased and redeemed directly with a manager or its approved distributors.

7.16 Minimum Creation and Redemption Size

Units will be issued or redeemed in an Application Unit size of 50,000 Units or such higher number of Units in multiples of 1,000 Units. If you do not hold an Application Unit size, you may only realise the value of your Units by selling your Units on the SGX-ST.

7.17 Risks Related to Borrowings by the Fund

Subject to compliance with the Code, we may pledge the assets of the Fund if the lender requires security to be provided in connection with any borrowings by us for the account of the Fund. If the Fund is unable to repay the principal or interest on such borrowing, the pledged assets may be disposed of by the lender. If the price received by the lender is insufficient to satisfy the outstanding due to the lender in full, the Fund may have to dispose of its investments to raise cash for payment of the shortfall to the lender. There may be an adverse effect on the Net Asset Value of the Fund if such disposal is effected during any period when general market conditions are unfavourable.

7.18 Derivatives Risk

Subject to the provisions of the Notice on the Sale of Investment Products, the Notice on Recommendations on Investment Products or the Securities and Futures (Capital Markets Products) Regulations 2018 (for so long as Units of the Fund are EIPs and prescribed capital markets products) and the Code, the Fund may from time to time invest in derivatives, which are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate or index. Such assets, rates and indices may include bonds, shares, interest rates, currency exchange rates, bond indices and stock indices.

While the judicious use of derivatives by professional investment managers can be beneficial, derivatives involve risks different from, and, in some cases, greater than, the risks presented by more traditional securities investments. Some of the risks associated with derivatives are market risk, management risk, credit risk, liquidity risk and leverage risk.

We do not intend to use derivatives transactions for optimising returns but may use them to hedge any foreign currency exposure of the Fund and/or for the purpose of efficient portfolio management.

Derivative instruments are highly volatile instruments and their market values may be subject to wide fluctuations and expose the Fund to potential gains and losses. Where such instruments are used, we will ensure that the risk management and compliance procedures and controls adopted are adequate and have been or will be implemented and that we have the necessary expertise to manage the risks relating to the use of these financial derivative instruments.

The global exposure of the Fund to financial derivatives or embedded financial derivatives will not exceed 100% of the net asset value of the Fund. We may modify the risk management and compliance procedures and controls at any time as we deem fit and in the interests of the Fund.

We currently use the commitment approach as described in Appendix 1 of the Code to determine the Fund's exposure to financial derivatives.

7.19 Tax Risk

Investment in the Fund may have tax implications depending on your particular circumstances. You are strongly urged to consult your own tax advisers and counsel with respect to the possible tax consequences to you of an investment in the Units.

By investing in securities issued by PRC tax resident enterprises, irrespective of whether such securities are issued or distributed onshore or offshore, the Fund may be subject to PRC taxes, which may change over time and affect the value of the units of the Underlying Fund and/or the Index Securities.

Mainland China tax consideration

We reserve the right to provide for tax on gains of the Fund that invests in mainland China securities thus impacting the valuation of the Fund. With the uncertainty of whether and how certain gains on mainland China securities are to be taxed, the possibility of laws, regulations and practice in the mainland China changing, and the possibility of taxes being applied retrospectively, any provision for taxation made by us may be excessive or inadequate to meet final mainland China tax liabilities on gains derived from the disposal of mainland China securities. Consequently, investors may be advantaged or disadvantaged depending upon the final outcome of how such gains will be taxed, the level of provision and when they purchased and/or sold their shares in/ from the Fund.

7.20 Feeder Risk

A fund which invests all or substantially all of its assets into an underlying collective investment scheme is subject to the specific risks applicable to the collective investment scheme. Before investing in the Fund, prospective investors should familiarise themselves with the risk factors associated with the Underlying Fund.

The Fund invests all or substantially all of its Net Asset Value into the Underlying Fund under the SHSE-SGX ETF Link ("**ETF Connect**"), which rules are subject to change from time to time, as may be determined by the SGX-ST, SHSE and the relevant regulatory authorities. In the event that the Fund is unable to comply with the ETF Connect rules on a continuing basis, the Fund may not be able to continue investing in the Underlying Fund or may be required to divest its investment in the Underlying Fund and invest into other underlying funds which track the Index. This may adversely impact the Fund's value, depending on the ETF Connect rules, as amended from time to time.

The Fund invests all or substantially all of its Net Asset Value into the Underlying Fund and may therefore be subject to the risks associated with the Underlying Fund. The performance of the Fund depends on the performance of the Underlying Fund. The ability of the Fund to meet its investment objective is also largely dependent on the Underlying Fund. Past performance of the Underlying Fund is not necessarily a guide to future performance of the Underlying Fund or the Fund.

The performance of the Fund may deviate from the performance of the Underlying Fund due to various factors (e.g. timing differences/delays in adjusting the Fund's investments), as well as the Fund's fees and expenses.

The Fund does not have control of the investments of the Underlying Fund and there is no assurance that the investment objective and strategy of the Underlying Fund will be successfully achieved which may have a negative impact to the Net Asset Value of the Fund. Unitholders also do not have any direct interest in the units of the Underlying Fund and will not be able to exercise any voting right in respect of the Underlying Fund.

There may be additional costs involved when investing into the Underlying Fund. By investing in the Underlying Fund, the Fund will bear a proportion of the fees and charges of the Underlying Fund. Such fees and charges of the Underlying Fund will be deducted from the Net Asset Value of the Fund and reflected in the Net Asset Value per unit of the Fund.

There is also no guarantee that the Underlying Fund will always have high trading volume and sufficient liquidity and the Fund may not be able to realise or liquidate its investment in the Underlying Fund at such time as it wants to.

There is no assurance that the liquidity of the Underlying Fund will always be sufficient to meet realisation requests. Further, there could be trading suspension of the Underlying Fund in the secondary market in PRC and these factors may have an adverse impact on the Fund and its Unitholders.

7.21 Trading Differences Risk

As the SHSE may be open when Units in the Fund are not priced, the value of the Securities in the Fund's portfolio may change on days when investors will not be able to purchase or sell the Fund's Units. Furthermore, the market price of the units of the Underlying Fund and/or the Index Securities listed on the Relevant Exchanges may not be available during part or all of the SGX-ST trading sessions due to trading hour differences which may result in the trading price of the Fund deviating away from the NAV. Securities listed in stock exchanges in the PRC are subject to trading bands which restrict increases and decreases in the trading price whereas Units listed on the SGX-ST are not. This difference may also increase the level of premium or discount of the Unit price to its NAV. There may also be a time lag in terms of disclosure of information that is likely to affect the price of the Underlying Fund's units, and such disclosures will be made in Chinese. Singapore investors will be notified of such information in English.

Singapore investors will also be notified, in English, of any public information released relating to the Underlying Fund that is likely to materially affect the price of the Fund's Units in a timely manner after it has been made publicly available by the Underlying Fund.

7.22 Delisting Risk of Underlying Fund

The Underlying Fund is subject to the listing rules of the SHSE and may be delisted if it is unable to comply with the said rules or at the discretion of the SHSE. In such event, the Fund will no longer be able to invest into the Underlying Fund and may not be able to invest into any other underlying fund in order to meet its investment objective. This may have a negative impact on the value of the Units and may result in the termination of the Fund.

7.23 Duplication of Costs When Investing in the Underlying Fund

The Fund incurs costs of its own management and trustee fees. It should be noted that, in addition, the Fund incurs similar costs in its capacity as an investor in the Underlying Fund, which in turn pays similar fees to its manager and other service providers.

Further, the investment strategies and techniques employed by the Underlying Fund may involve frequent changes in positions and a consequent fund turnover. This may result in brokerage commission expenses which exceed those of underlying funds of comparable size.

As a consequence, the direct and indirect costs borne by the Fund is likely to represent a higher percentage of the NAV than would typically be the case with funds which invest directly in securities (and not through other underlying collective investment schemes).

7.24 Trading in Index Securities on the Relevant Exchanges may be Suspended

The Index Securities may be temporarily or permanently suspended from trading. When the Index Securities are suspended from trading on a large scale, the Underlying Fund may not be able to sell the Index Securities in time to obtain sufficient redemption monies as required. In such cases, the Underlying Fund Manager may lower the maximum limit for redemption or take measures to suspend redemption, and the investors will be exposed to the risk of being unable to redeem all or part of their units of the Underlying Fund.

7.25 Initial Offer Period Risk

As a Feeder Fund, the subscription monies raised during the Initial Offer period will be invested into the Underlying Fund after the close of the Initial Offer Period and prior to listing of the Units on the SGX-ST, in order for units of the Underlying Fund to be issued to the Fund on or by the said listing date. There is a possibility that the value of the Units on the listing date may deviate from the Initial Offer Period of the Units due to fluctuations in the value of the Underlying Fund during the period when the subscription monies are investing into the Underlying Fund and the listing date.

7.26 Dual Counter Trading Risk

The SGD Class Units are traded in two different currency counters on the SGX-ST (i.e. S$ and CNH).

(i) Inter-counter trading and settlement risk

Although an investor may buy from one counter and sell the same on the other counter in the same day, it is possible that some brokers/intermediaries may not be familiar with and may not be able to (i) buy Units in one counter and to sell Units in the other, (ii) carry out inter-counter transfers of Units, or (iii) trade Units in the S$ counter and CNH counter at the same time. In such instances, another broker/intermediary may need to be used. This may inhibit or delay dealing in the S$ counter and CNH counter and may mean investors may only be able to trade their Units in one currency. Investors are recommended to check the readiness of their brokers/intermediaries in respect of the dual counter trading and inter-counter transfers.

There might be a suspension of the inter-counter transfer of Units amongst the S$ counter and CNH counter for various reasons, for example, operational or systems interruption or settlement failure on an inter-counter day trade. Accordingly, it should be noted that inter-counter transfers may not always be available.

(ii) Currency exchange risk

The price of the Units in the traded currency counters (i.e. S$ and CNH) is based on the price of the Units in the base currency (i.e. S$) and the prevailing foreign exchange rates. Therefore, the performance of the Units in the traded currency counters may not be the same as that of the base currency due to fluctuations in the foreign exchange rates between the CNH against the S$.

(iii) Difference in trading prices risk

There is a risk that due to different factors such as market liquidity, market supply and demand in the respective counters and the exchange rates between the CNH against the S$, the value of the Units in S$ may deviate significantly from the market price of the Units traded in CNH on the SGX-ST. Accordingly, when buying or selling Units traded in one currency (eg. S$), an investor may receive less or pay more than the equivalent amount in the other traded currency (eg. CNH). There can be no assurance that the price of Units in each counter will be equivalent.

Risks relating to the PRC generally

7.27 China Market Risks

The Fund, through its investment in the Underlying Fund, invests in the China market and is subject to the relevant risks associated with the China market, including but not limited to RMB distribution risks, PRC tax risks and RMB currency and conversion risks.

7.28 PRC Economic, Political and Social Conditions as well as Government Policies

The economy of China, 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 China are still owned by the PRC government at various levels, in recent years, the PRC government has implemented economic reform measures emphasising the use of market forces in the development of the economy of China and a high level of management autonomy. The economy of China has experienced significant growth in the past 20 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 and carried out economic reforms to achieve decentralisation and utilisation of market forces to develop the economy of the PRC. Any adjustment and modification

of those economic policies may have an adverse impact on the securities market in the PRC as well as the Index Securities which are constituents of the Index and/or the underlying issuers of the shares or interests issued by PRC companies and listed on the Relevant Exchanges (the "**China A-Shares**") in the investment portfolio of the Underlying Fund. Furthermore, 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 the 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 China A-Shares in the investment portfolio of the Underlying Fund and/or the Index.

7.29 PRC Government Control of Currency Conversion and Future Movements in Exchange Rates

The value of the Fund's investment portfolio will reflect the dividends and distributions received from the underlying issuers of the China A-Shares in the investment portfolio of the Underlying Fund which are converted at the prevailing foreign exchange rate.

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. However, we cannot predict whether the PRC government will continue its existing foreign exchange policy and when the PRC government will allow free conversion of the RMB to foreign currency.

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.

7.30 PRC Laws and Regulations

The PRC legal system is based on written statutes and their interpretation by the Supreme People's Court. Prior court decisions may be cited for reference but have no precedent value. Since 1979, the PRC government has been developing a comprehensive system of commercial laws, and considerable progress has been made in introducing laws and regulations dealing with economic matters such as foreign investment, corporate organisation and governance, commerce taxation and trade. However, because these 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.

7.31 PRC Market Risk/Volatility of China A-Shares

You should note that the Relevant Exchanges on which China A-Shares are traded are undergoing development and the market capitalisation of, and trading volumes on those exchanges are lower than those in more developed financial markets. Generally, investments in or linked to emerging markets, such as the market for China A-Shares, may involve increased risk such as the likelihood of a high degree of market volatility, lack of a liquid trading market, currency risks/control, political and economic uncertainties, legal, regulatory and taxation risks, custody risks and settlement risks in the China A-Share markets. The China A-Share markets may be more volatile and unstable (e.g. due to suspension of particular stocks or government intervention) than those in the more developed markets. All these may result in significant fluctuations in the prices of China A-Shares which are Index Securities, which may in turn adversely affect the NAV of the Underlying Fund and the Fund.

7.32 Risks Relating to Dependency on China A-Share and China A-Share ETF Market

The existence of a liquid trading market for China A-Shares and ETFs listed in the PRC (such as the Underlying Fund) may depend on whether there is supply of, and demand for, such China A-Shares and ETFs. The price at which the China A-Shares may be purchased or sold by the

Underlying Fund may be adversely affected if trading markets for China A-Shares are limited or absent. This may have impact on the price at which units of the Underlying Fund may be purchased or sold by the Fund.

Further, the price at which units of the Underlying Fund may be purchased or sold and the Net Asset Value of the Fund may be adversely affected if trading markets for the Underlying Fund are limited or absent.

Investors should note that the SZSE and the SHSE on which China A-Shares and the Underlying Fund are traded are undergoing development and the market capitalisation of those stock exchanges are lower than those in more developed markets.

The China A-Share and China A-Share ETF market may be more volatile and unstable (for examples due to the risk of suspension of a particular stock or government intervention) than those in more developed markets. A Participating Dealer may not be able to create and redeem Units if the units of the Underlying Fund are not available.

Market volatility and settlement difficulties in the China A-Share and ETF markets may also result in significant fluctuations in the prices of the China A-Shares and ETFs traded on such markets and thereby may affect the value of the Fund.

7.33 Risks Relating to Suspension of the China A-Share and China A-Share ETF Market

Securities exchanges in the PRC typically have the right to suspend or limit trading in any security traded on the relevant exchange; a suspension will render it impossible for the Manager to liquidate positions and can thereby expose the Fund to losses. Under such circumstances, while creation/redemption of the Fund's Units may be suspended, subject to the Manager's discretion, the trading of the Fund on the SGX-ST may or may not be suspended. If trading of the Underlying Fund on the SHSE is suspended, it may be difficult for the Manager to determine the Net Asset Value of the Fund. Where trading of the Underlying Fund on the SHSE is suspended, the Manager may determine to suspend the creation and redemption of Units of the Fund, and/or delay the payment of any monies in respect of any Redemption Application. If the trading of the Fund on the SGX-ST continues when the trading of the Underlying Fund is suspended, the trading price of the Fund may deviate away from its Net Asset Value.

As a result of the trading band limits imposed by the stock exchanges in the PRC on China A-Shares and China A-Share ETFs (including the Underlying Fund), it may not be possible for Participating Dealers to create and/or redeem Units of the Fund on a Dealing Day, because the Underlying Fund may not be available if the trading band limit has been exceeded or it is impossible to liquidate positions. This may lead to higher tracking error and may expose the Fund to losses. Further, the price of the Units of the Fund may be traded at a premium or discount to its Net Asset Value.

7.34 Accounting and Reporting Standards

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.

7.35 Risks associated with Stock Connect

The Fund may invest through the Stock Connect and is subject to the following additional risks:

Quota limitations risk. 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). Therefore, quota limitations may restrict the Fund's ability to invest in the eligible securities through the Stock Connect on a timely basis, and the Fund may not be able to effectively pursue its investment strategies.

Suspension risk. It is contemplated that each of the SEHK, the SHSE and the SZSE 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 through the Stock Connect is effected, the Fund's ability to access the PRC mainland market will be adversely affected.

Differences in trading day. The Stock Connect only operates on days when both the PRC mainland (SHSE and SZSE) 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 mainland market but Hong Kong investors (such as the Fund) cannot carry out any trading via the Stock Connect. The Fund may be subject to a risk of price fluctuations in the relevant securities during the time when the Stock Connect is not trading as a result.

Operational risk. The Stock Connect provides a channel for investors from Hong Kong and overseas to access the PRC stock market directly.

The Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

It should be appreciated that the securities regimes and legal systems of the two markets differ significantly and in order for the program to operate, market participants may need to address issues arising from the differences on an on-going basis.

Further, the "connectivity" in the Stock Connect program 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 (i.e. a new order routing system was set up by the SEHK to which exchange participants need to connect). 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 failed to function properly, trading in both markets through the program could be disrupted. The Fund's ability to access the PRC market (and hence to pursue its investment strategy) will be adversely affected.

Restrictions on selling imposed by front-end monitoring risk. PRC regulations require that before an investor sells any securities listed on the SHSE ("**SHSE Securities**") and/or securities listed on the SZSE ("**SZSE Securities**"), there should be sufficient SHSE Securities or SZSE Securities (as the case may be) in the account; otherwise the SHSE or the SZSE will reject the sell order concerned. The SEHK will carry out pre-trade checking on SHSE Securities and SZSE Securities sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

If the Fund desires to sell certain SHSE Securities and/or SZSE Securities it holds, it must transfer such SHSE Securities or SZSE Securities (as the case may be) to the respective accounts of its brokers before the market opens on the day of selling ("**trading day**"). If it fails to meet this deadline, it will not be able to sell SHSE Securities or SZSE Securities on the trading day. Because of this requirement, the Fund may not be able to dispose of holdings of SHSE Securities or SZSE Securities in a timely manner.

Recalling of eligible securities risk. When a security is recalled from the scope of eligible securities for trading via the Stock Connect, the security can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the Fund, for example, when the Manager wishes to purchase a security which is recalled from the scope of eligible securities.

Clearing and settlement risk. The HKSCC and CSDCC have established the 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 would 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.

As the national central counterparty of the PRC's securities market, CSDCC operates a comprehensive network of clearing, settlement and security holding infrastructure. CSDCC has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of CSDCC default are considered to be remote.

Should the remote event of CSDCC default occur and 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 CSDCC. HKSCC will in good faith, seek recovery of the outstanding securities and monies from CSDCC through available legal channels or through CSDCC's liquidation. In that event, the Fund may suffer delay in the recovery process or may not be able to fully recover its losses from CSDCC.

Nominee arrangements in holding SHSE Securities and SZSE Securities risk. HKSCC is the "nominee holder" of the SHSE Securities and the SZSE Securities acquired by Hong Kong and overseas investors through the Stock Connect.

The CSRC Stock Connect Rules expressly provide that investors enjoy the rights and benefits of SHSE Securities and SZSE Securities acquired through the Stock Connect in accordance with applicable laws.

The CSRC Stock Connect Rules are departmental regulations having legal effect in the PRC. However, the application of such rules is untested, and there is no assurance that PRC courts will recognise such rules, e.g. in liquidation proceedings of PRC companies.

It should be noted that, under the CCASS rules, HKSCC as nominee holder shall have no obligation to take any legal action or court proceeding to enforce any rights on behalf of the investors in respect of the SHSE Securities and the SZSE Securities in the PRC mainland or elsewhere. Therefore, although the Fund's ownership may be ultimately recognised, the Fund may suffer difficulties or delays in enforcing its rights in SHSE Securities and SZSE Securities.

Participation in corporate actions and shareholders' meetings risk. HKSCC will keep CCASS participants informed of corporate actions of SHSE Securities and SZSE Securities. Hong Kong and overseas investors (including the Fund) will need to comply with the arrangement and deadline specified by their respective brokers or custodians (i.e. CCASS participants). The time for them to take actions for some types of corporate actions of SHSE Securities and SZSE Securities may be as short as one business day only. Therefore, the Fund may not be able to participate in some corporate actions in a timely manner.

Hong Kong and overseas investors (including the Fund) are holding SHSE Securities and SZSE Securities traded via the Stock Connect program through their brokers or custodians. According to existing mainland practice, multiple proxies are not available. Therefore, the Fund may not be able to appoint proxies to attend or participate in shareholders' meetings in respect of the SHSE Securities and the SZSE Securities.

No Protection by Investor Compensation Fund. Investment through Stock Connect is conducted through broker(s), and is subject to the risks of default by such brokers in their obligations. 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. The Investor Compensation Fund also covers investors' losses in relation to securities traded on a stock market operated by the SHSE and the SZSE 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 the Fund is carrying out Northbound trading through securities brokers in Hong Kong but not PRC brokers, they are not protected by the China Securities Investor Protection Fund in the PRC. Therefore the Fund is exposed to the risks of default of the broker(s) it engages in its trading in SHSE Securities and SZSE Securities through the programme.

Regulatory risk. The Stock Connect is 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.

It should be noted that the regulations are untested and there is no certainty as to how they will be applied. Moreover, the current regulations are subject to change. There can be no assurance that the Stock Connect will not be abolished. The Fund, which may invest in the PRC mainland markets through the Stock Connect, may be adversely affected as a result of such changes.

Taxation risk. On 14 November 2014 and on 5 November 2016, the Ministry of Finance and the State Taxation Administration have jointly promulgated Caishui [2014] No.81 ("**Notice No.81**") and Caishui [2016] No.127 ("**Notice No.127**") respectively in relation to the taxation rule on the Stock Connect. In addition, Circular 36 provided value-added tax exemption on the gains derived by Hong Kong and overseas investors (including the Fund) on the trading of China A-Shares through Shanghai-Hong Kong Stock Connect. Under Notice No.81, Notice No.127 and Circular 36, corporate income tax, individual income tax and value-added tax will be temporarily exempted on gains derived by Hong Kong and overseas investors (including the Fund) on the trading of China A-Shares through the Stock Connect. However, dividends will be subject to 10% withholding income tax and the company distributing the dividend has the withholding obligation. If the recipient of the dividend is entitled to a lower treaty rate, it can apply to the in-charge tax bureau of the payor for a refund. Investments in the Fund may be subject to the risks associated with changes in the PRC mainland tax laws and such changes may have retrospective effect and may adversely affect the Fund.

7.36 Repatriation Risk

The realised cumulative profits generated from investments via the Stock Connect for the account of the Fund may be repatriated out of the PRC, as and when the Manager so determines, subject to the completion of the audit of such net realised cumulative profits by a PRC registered accountant and the issuance of the tax payment certificate or tax filing certificate (if any). There is no assurance, however, that PRC rules and regulations will not change or that repatriation restrictions/requirements will not be cancelled or additionally imposed in the future. Any new restrictions on repatriation of the invested capital and net profits may impact on the Fund's ability to meet redemption requests.

7.37 Risks Associated with the ChiNext Market or STAR Market

The Fund, through its investment in the Underlying Fund, may have exposure to stocks listed on the ChiNext Market of SZSE or STAR Market of SHSE.

(i) Higher fluctuation of stock prices

Listed companies on the ChiNext Market or STAR Market are usually of emerging nature with smaller operating scale. 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 ("**SZSE Main Board**") or the Main Board of the SHSE ("**SHSE Main Board**").

(ii) Over-valuation risk

Stocks listed on the ChiNext Market or STAR Market 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.

(iii) Differences in regulation

The rules and regulations regarding companies listed on ChiNext Market or STAR Market are less stringent in terms of profitability and share capital than those in the SZSE Main Board or SHSE Main Board.

(iv) Delisting risk

It may be more common and faster for companies listed on the ChiNext Market or STAR Market to delist. This may have an adverse impact on the Fund if the companies that it has exposure to through its investment in the Underlying Fund are delisted.

Investments in the ChiNext Market or STAR Market may result in significant losses for the Fund and its investors.

7.38 Risks Relating to Cross-border Nature of the Product

The Fund is a SGD-denominated exchange traded fund which invests all or substantially all of its Net Asset Value in the SHSE-listed Underlying Fund, which in turn directly invests in China A-Share market (which is a market with restricted access). In light of the cross-border nature of the Fund, it is more risky than traditional exchange traded funds which invest directly in markets other than the China A-Share market and therefore, is subject to operational and settlement risks. Operational risks may arise from technical failures of communication and trading systems, and any breaches of the relevant operational policies or guidelines by the relevant staff of the Manager. Whilst the Manager has in place internal control systems, operational guidelines and contingency procedures to reduce the chances of such operational risks, there is no guarantee that events beyond the control of the Manager (e.g. trading errors or system errors) will not occur. The occurrence of such events may adversely affect the value of the Fund.

The Fund may also be exposed to risks associated with settlement procedures. Any significant delays in the settlement of transactions or the registration of a transfer may affect the ability to ascertain the value of the Fund portfolio and adversely affect the Fund.

8. RISK FACTORS RELATING TO THE INDEX

8.1 Errors or Inaccuracies in the Index

There may be inaccuracies, errors, omissions or mistakes in the compilation or calculation of the Index, which may result in significant deviations between the Net Asset Value of the Units and the Index. We and the Trustee are not responsible or involved in the compilation or calculation of the Index, and thus cannot be held responsible or liable for any inaccuracies, errors, omissions or mistakes in such compilation or calculation. The computation of the Index may be inaccurate or incomplete if, amongst other factors, the information received by the Index Provider from any of the Relevant Exchanges is inaccurate or incomplete. Examples of types of errors which may occur include:-

(i) the closing price of an Index Security on a given day being incorrect;

(ii) a missed corporate event;

(iii) a missed Index methodology event (deviation from what is stated in the methodology document for the Index); or

(iv) a late announcement in respect of an Index Security.

8.2 Index is Subject to Fluctuations

The performance of the Units should correspond closely with the performance of the Index. The Index may experience periods of volatility in the future. If the Index experiences volatility or declines, the price of the Units will vary or decline accordingly.

8.3 Composition of and Weightings in the Index may Change

The Securities which comprise the Index are changed by the Index Provider as per the selection and eligibility criteria at the time of reconstitution. The composition of the Index may also change if one of the constituent companies were to delist its securities or if a new eligible company were to list its securities and be added to the Index. If this happens, the weighting or composition of the Index Securities invested into by the Underlying Fund would be changed as considered appropriate by the Underlying Fund Manager in order to achieve the investment objective and the Fund's exposure to the Index Securities, through its investment into the Underlying Fund, will be

similarly affected. Thus, an investment in Units will generally reflect the Index as its constituents change from time to time, and not necessarily the way it is comprised at the time of an investment in the Units.

Appendix I – CSI Dividend Index describes how the Index is compiled. Please refer to paragraph 12.3 for more information on Index rebalancing.

8.4 Licence to Use the Index may be Terminated

The Underlying Fund Manager is granted a licence by the Index Provider to use the Index to create the relevant Underlying Fund based on the Index and to use certain trade-marks and any copyright in the Index.

The Underlying 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. The Underlying Fund will be terminated if the Index ceases to be compiled or published and if there is no replacement index using the same or substantially similar formula for the method of calculation as used in calculating the Index.

We have been granted a licence by the Index Provider to use the Index in connection with the operation, marketing and promotion of the Fund (pursuant to the terms and conditions of the Index licence agreement). The Fund may be terminated if the Index licence agreement is terminated and we are unable to identify or agree with the Index Provider or any other index provider terms for the use of a suitable replacement index that gives, in our opinion, the same or substantially similar equity exposure to the CSI Dividend Index. If the Index is no longer available for use by the Fund, we will source for a suitable replacement index that gives, in our opinion, the same or substantially similar exposure as the Index. Any such replacement index will be notified to Unitholders via SGXNET. Accordingly, you should note that the ability of the Fund to track the Index depends on the continuation in force of the Index licence agreement in respect of the Index or a suitable replacement.

If the licence for the use of the Index is terminated for any reason, we will notify Unitholders of such termination via an announcement on SGXNET.

8.5 Compilation of the Index

No warranty, representation or guarantee is given as to the accuracy or completeness of the Index and its computation or any information relating to the Index. 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.

9. MANAGEMENT AND ADMINISTRATION

9.1 Manager

We, the manager of the Fund, are Lion Global Investors Limited (Company Registration Number 198601745D), whose registered office is at 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513. We hold a capital markets services licence for fund management issued by the Authority and are regulated by the Authority. We have been managing collective investment schemes and discretionary funds in Singapore since 1987 and investment-linked product funds since 1996.

We were incorporated in Singapore on 22 August 1986. Our issued and paid-up share capital is S$62.5 million (as at 31 December 2023).

We are a member of the Oversea-Chinese Banking Corporation Limited (OCBC) Group with total assets under management of S$71.3 billion (US$55.6 billion) as at 30 September 2024. We are 70% owned by Great Eastern Holdings Limited and 30% owned by Orient Holdings Private Limited, both subsidiaries of OCBC Bank. Besides Singapore, we have a regional office in Brunei.

We aim to make investments accessible to everyone by delivering investment solutions that are innovative, efficient and relevant to meet the evolving and diverse needs of institutional and retail investors. Our team of investment professionals averaging 27 years of experience have built a

valuable suite of investment solutions to deliver diversified choices across equities, fixed income and multi-assets. Through the decades, we remain committed as a trusted asset manager for our clients.

The investment funds managed by us include, but are not limited to the funds set out in Appendix III.

For more information about us, please visit www.lionglobalinvestors.com.

Please refer to Clause 27 of the Trust Deed for more details on our role and responsibilities as the manager of the Fund.

9.2 General Responsibilities of the Manager

We have general powers of management over the assets of the Fund. We have covenanted in the Trust Deed to use our best endeavours to carry on and conduct our business in a proper and efficient manner and to ensure that the Fund is carried on and conducted in a proper and efficient manner. We have also covenanted that we will conduct all transactions with or for the Fund at arm's length.

We will also be responsible for ensuring compliance with the applicable provisions of the Securities and Futures Act and all other relevant legislation, the Listing Rules, the Code, the Trust Deed and all relevant contracts. We will be responsible for all communications with Unitholders.

In the absence of fraud or negligence by us, we shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done by us in good faith under the provisions of the Trust Deed. In addition, we shall be entitled, for the purpose of indemnity against any action, costs, claims, damages, expenses or demands (other than those arising out of any liability or obligation to the Unitholders imposed on us pursuant to applicable laws or where we have failed to exercise the degree of care and diligence required of us as manager) to which it may be put as us, to have recourse to the assets of the Fund in respect of which such action, costs, claims, damages, expenses or demands have been made or arose out of.

We may, in managing the Fund and in carrying out and performing our duties and obligations under the Trust Deed, appoint such person as we may think fit to exercise all or any of the powers, rights, privileges, duties and discretions vested in us under the Trust Deed and such delegation may be made upon such terms and conditions and subject to such applicable laws and regulations (including powers to sub-delegate), provided that we shall not be liable for any losses incurred through the act or omission of any of our delegate except where we have failed to exercise reasonable care and skill in the selection, appointment and monitoring of such delegate (having regard to the market in which the relevant delegate is located).

We will remain as the manager of the Fund until we retire or are removed or replaced in accordance with the provisions of the Trust Deed, as summarised under paragraphs 33 and 34 below.

Any change to the manager of the Fund will be announced immediately on the SGXNET.

9.3 Directors of the Manager

Our directors are as follows:-

(i) **Teo Joo Wah** (Executive Director)

Mr Teo of 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513 is currently our Chief Executive Officer.

Mr Teo has more than 34 years of banking and investment experience. He started his banking career with DBS Bank and has previously worked in Temasek Holdings as a Director in the Fund Management Division. He was also a Senior Vice President with Fullerton Fund Management Company.

Mr Teo graduated from the National University of Singapore with a degree in Business Administration. He is a Chartered Financial Analyst (CFA) charterholder and has been recognised by The Institute of Banking and Finance (IBF) as an IBF Fellow.

(ii) **Ronnie Tan Yew Chye** (Non-Executive Director)

Mr Tan of 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513 is currently the Group Chief Financial Officer of Great Eastern Holdings Limited. He is also the Director of Great Eastern Trust Pte Ltd and Great Eastern International Pte Ltd.

He was previously the Group Chief Risk Officer at Great Eastern Holdings Limited (from January 2006 to June 2016), Senior Vice President, Finance & Corporate Affairs at Great Eastern Holdings Limited (from December 2002 to December 2005) and Senior Vice President, Products & Business Strategies at Great Eastern Holdings Limited (from June 2002 to November 2002).

Mr Tan graduated from the University of Nebraska-Lincoln with a Bachelor of Science in Business Administration - Actuarial Science. He is also a CFA charterholder and is recognised by the Society of Actuaries as a Fellow.

(iii) **Sunny Quek Ser Khieng** (Non-Executive Director)

Mr Quek of 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513 is currently the Head of Global Consumer Financial Services of OCBC Group and serves as a Board Member of OCBC Investment Research Private Limited, OCBC Securities Private Limited, Network for Electronic Transfers (Singapore) Pte Ltd and E2 Power Pte Ltd. He is also a Non-Executive Director of our Board.

Mr Quek was appointed Head of Global Consumer Financial Services in October 2022 and has been the Head of Consumer Financial Services Singapore since November 2019. He joined OCBC in December 2012 as Head of Branch and Premier Banking. His responsibilities included formulating and executing the sales and distribution strategy for the consumer banking branch network in Singapore, and supporting the OCBC Premier Banking network in the region. Mr Quek started his banking career at Tokai Bank in 1997 before joining Citibank Singapore in 2000. He has more than 26 years of experience spanning branch management, treasury sales and trading.

Mr Quek graduated with a Bachelor of Science in Economics from the National University of Singapore.

(iv) **Tung Siew Hoong** (Non-Executive Director)

Mr Tung of 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513 is currently an Independent Director of Aldigi Holdings Pte Ltd and a Non-Executive Director of our Board. He was a Board Member of Central Provident Fund Board (from July 2010 to June 2018) and Emerging Market Traders Association (from February 2001 to February 2015). Mr Tung was also a member of Singapore Foreign Exchange Market Committee (from April 2009 to May 2018).

Mr Tung has over thirty years of investment management experience in GIC Private Limited ("GIC"), which he joined in 1990 as a Senior Economist. Prior to his retirement in 2022, he held various appointments in GIC including Managing Director – Fixed Income (from April 2018 to June 2022), Head – Portfolio Execution Group (from April 2015 to March 2018) and Head – Fixed Income (from April 2010 to March 2015). His responsibilities included making investment recommendations on strategic asset allocation, managing fixed income portfolios and investment teams. Mr Tung completed a one-year consultancy stint with Eastspring Investments (Singapore) Limited from October 2022 to October 2023.

Mr Tung graduated from the National University of Singapore with a Master of Social Science in Statistics in 1990 and a Bachelor of Social Science in Economics and Statistics in 1987. He is a CFA charterholder.

(v) **Gregory Thomas Hingston** (Non-Executive Director)

Mr Gregory Thomas Hingston of 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513 is currently the Group Chief Executive Officer of Great Eastern Holdings Limited, The Great Eastern Life Assurance Company Limited, and Great Eastern General Insurance Limited. He is also a Non-Executive Director of our Board.

Prior to joining Great Eastern, Mr Hingston was Chief Executive Officer, HSBC Global Insurance and Partnerships in HSBC Global Services (Hong Kong) Limited (January 2022 to May 2024). He was primarily responsible for setting the strategy, managing, growing, and transforming the life insurance business of the HSBC Group. From January 2016 to January 2022, Mr Hingston held various senior positions in The Hong Kong and Shanghai Banking Corporation Limited ("**HSBC Ltd**") as interim head of Global Wealth and Personal Banking for South Asia, Regional Head of Wealth and Personal Banking for Asia Pacific and Head of Retail Banking and Wealth Management for Hong Kong. From April 2006 to January 2010, he was the Head of Strategic Business Analysis & Development, Personal Financial Services Asia in HSBC Ltd. He also held various roles as Regional Head of Retail Banking for Europe, Middle East and Africa, Head of Customer Value Management and Head of International, Retail Banking and Wealth Management for Europe, and Global Head of Strategy, Retail Banking and Wealth Management in HSBC Bank PLC based in London from January 2010 to December 2015.

Mr Hingston started his career at Comet Group, a subsidiary of Kingfisher plc, in 1995 and was the Business Development Manager with Kingfisher Asia Pacific Limited (August 1998 to July 2000) before being the Assistant Director at PRU-One (July 2000 to April 2001) and taking on the roles of Director of Business Development Limited (April 2001 to July 2003) and Regional Head of Strategic Planning and M&A (July 2003 to Dec 2005) at Prudential Corporation Asia (PCA) Limited.

Mr Hingston graduated with a Bachelor of Arts Honours Degree in Business and Marketing from London Guildhall University and holds a Chartered Institute of Marketing Diploma from London Guildhall University as well as a Postgraduate Diploma in Management Studies from Templeton College, Oxford University.

9.4 Key Executives

The key executives in respect of the Fund are Ng Kian Ping and Herbert Wong Khong Chung, whose details are provided below.

Ng Kian Ping

Ng Kian Ping is the Portfolio Manager. Kian Ping is a portfolio manager with 18 years of financial industry experience in the Multi-Asset Strategies team, where he is managing institutional and retail absolute return portfolios, as well as exchange-traded funds ("**ETFs**"). Kian Ping has 10 years of fund management experience in institutional and retail absolute return portfolios. Kian Ping also has 4 years of fund management experience in ETFs.

Kian Ping has accumulated investment experience across different asset classes including bonds, equities, currencies, derivatives and ETFs. He is also involved in the selection and monitoring of external fund managers.

Kian Ping holds a Master in Applied Finance (Distinction) from the Singapore Management University and a Bachelor in Civil Engineering from the National University of Singapore. He is also a CFA charterholder.

Herbert Wong Khong Chung

Herbert Wong Khong Chung, the Alternate Portfolio Manager, is the Head of the Multi-Asset Strategies team and lead portfolio manager of a range of multi-asset products including absolute return funds at Lion Global Investors. He has 39 years of treasury and fund management experience. Herbert has 3 years of experience in managing ETFs.

Prior to rejoining Lion Global Investors, Herbert was seconded as a portfolio manager to Lion Fairfield Capital Management, a subsidiary of Lion Global Investors and was also a senior fund manager at OCBC Asset Management (now known as Lion Global Investors). He started his career as a money market and foreign exchange trader at OCBC Bank.

Herbert holds a Master of Science in Financial Engineering and Bachelor of Business Administration from the National University of Singapore. He is also a CFA charterholder.

9.5 Trustee and Custodian

The Trustee is HSBC Institutional Trust Services (Singapore) Limited (Company Registration No.: 194900022R) and its registered address is at 10 Marina Boulevard, Marina Bay Financial Centre, Tower 2, #48-01, Singapore 018983. The Trustee is regulated in Singapore by the Authority. The Trustee was incorporated on 24 February 1949 in Singapore. As at 21 June 2024, the issued and paid-up share capital of the Trustee is S$5,150,000. Under the Trust Deed, the Trustee is responsible for the safekeeping of the assets of the Fund.

The Custodian is The Hongkong and Shanghai Banking Corporation Limited whose registered office is at 1 Queen's Road Central, Hong Kong. The Custodian is regulated by the Hong Kong Monetary Authority and authorised as a registered institution by the Securities and Futures Commission of Hong Kong. The Custodian was incorporated on 14 August 1866 in Hong Kong. The Custodian was established and has been based in Hong Kong since 1865, and is a wholly owned subsidiary of HSBC Holdings plc, the holding company of the HSBC Group. As at 1 January 2024, its paid-up share capital constitutes an aggregate of HK$123,949,000,000 paid up in HKD and HK$56,232,000,000 paid up in USD now represented by its 49,579,391,798 ordinary shares in issue.

The Custodian is appointed by the Trustee as the global custodian to provide custodial services to the Fund globally and any custodian fee payable will be borne by the Fund. The Custodian is entitled to appoint sub-custodians to perform any of the Custodian's duties in specific jurisdictions where the Fund invests.

The Custodian is a global custodian with direct market access in certain jurisdictions. In respect of markets for which it uses the services of selected sub-custodians, the Custodian shall use reasonable care in the selection and monitoring of its selected sub-custodians.

The criteria upon which a sub-custodian is appointed is pursuant to all relevant governing laws and regulations and subject to satisfying all requirements of HSBC in its capacity as global custodian. Such criteria may be subject to change from time to time and may include factors such as the financial strength, reputation in the market, systems capability, operational and technical expertise, clear commitment to the custody business, adoption of international standards etc. All sub-custodians appointed will, if required by the law applicable to them, be licensed and regulated under applicable law to carry out the relevant financial activities in the relevant jurisdiction.

The Trustee will remain as the trustee of the Fund until it retires or is removed or replaced in accordance with the provisions of the Trust Deed. Any change to the Trustee of the Fund will be announced on the SGXNET.

The Custodian will remain as the custodian for the Fund until the termination of its appointment in accordance with the provisions of the Custodian Agreement. Any change to the Custodian of the Fund will be announced on the SGXNET.

9.6 Registrar

HSBC Institutional Trust Services (Singapore) Limited has been appointed as the registrar of the Fund.

The Register will be maintained by the Registrar and can be inspected at 20 Pasir Panjang Road (East Lobby), #12-21 Mapletree Business City, Singapore 117439 during normal business hours (subject to such reasonable restrictions as the Registrar may impose).

For so long as the Units are listed, quoted and traded on the SGX-ST, we shall appoint The Central Depository (Pte) Limited (Company Registration No.: 198003912M) (the "**CDP**") as the unit depository for the Fund, and all Units issued and available for trading will be represented by entries in the Register kept by the Registrar in the name of, and such Units will be deposited with, CDP as the registered holder of such Units.

Any change to the Registrar of the Fund will be announced on the SGXNET.

9.7 Auditors

The auditors of the Fund are PricewaterhouseCoopers LLP whose registered address is at 7 Straits View, Marina One, East Tower, Level 12, Singapore 018936. Any change to the auditors of the Fund will be announced on the SGXNET.

9.8 Fund Administration Agent

HSBC Institutional Trust Services (Singapore) Limited, whose details are set out above, has been appointed as the administrator of the Fund (the "**Fund Administration Agent**").

Pursuant to the Fund Administration Services Agreement, the Fund Administration Agent has been appointed by us to provide accounting, administrative and other services to the Fund. The Fund Administration Agent will remain as the administration agent for the Fund until the termination of its appointment in accordance with the provisions of the Fund Administration Services Agreement. Any change to the Fund Administration Agent of the Fund will be announced on the SGXNET.

10. BROKERAGE TRANSACTIONS

Our policy regarding purchases and sales of units of the Underlying Fund and/or the Index Securities is that primary consideration will be given to obtaining the most favourable prices and best execution of transactions in accordance with the requirements of the Code. Consistent with this policy, when securities transactions are effected on a stock exchange, our policy is to pay commissions which are considered fair and reasonable without necessarily determining that the lowest possible commissions are paid in all circumstances.

We believe that a requirement always to seek the lowest possible commission cost may impede effective portfolio management and preclude the Fund and us from obtaining a high quality of brokerage and research services. In seeking to determine the reasonableness of brokerage commissions paid in any transaction, we rely on our experience and knowledge regarding commissions generally charged by various brokers and on our judgement in evaluating the brokerage and research services received from the broker effecting the transaction. Such determinations are necessarily subjective and imprecise and, as in most cases, an exact dollar value for those services is not ascertainable.

In seeking to implement the above policies, we effect transactions with those brokers and dealers that we believe provide the most favourable prices and are capable of providing best execution of transactions in accordance with the requirements of the Code. If we believe such price and execution are obtainable from more than one broker or dealer, we may give consideration to placing portfolio transactions with those brokers and dealers who also furnish research and other services to the Fund or us. Such services may include, but are not limited to, information as to the availability of units of the Underlying Fund and/or the Index Securities for purchase or sale, statistical information pertaining to corporate actions affecting stocks, including, but not limited to, securities within the Index.

We, our directors and our associates are not entitled to receive any part of any brokerage charged to the Fund, or any part of any fees, allowances and benefits (other than soft dollar commissions or arrangements mentioned below) received on purchases or sales charged to the Fund.

11. SOFT DOLLAR COMMISSIONS OR ARRANGEMENTS

We shall be entitled to and intend to receive or enter into soft-dollar commissions/arrangements in respect of the Fund. We will comply with applicable regulatory and industry standards on soft-dollars. Subject to compliance with the Code, the soft-dollar commissions/arrangements which we may receive or enter into include specific advice as to the advisability of dealing in or as to the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services and computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice or the conduct of research or analysis.

Soft-dollar commissions received shall not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payment.

We will not accept or enter into soft-dollar commissions/arrangements unless such soft-dollar commissions/arrangements would reasonably assist us in our management of the Fund, provided that we shall ensure at all times that best execution is carried out for the transactions, and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements. We will not and are not entitled to retain for our own account, cash or commission rebates arising out of transactions for the Fund executed in or outside Singapore.

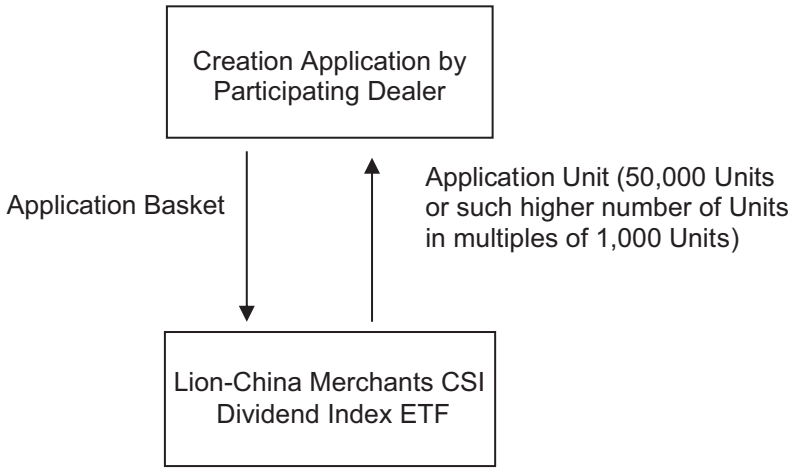
The Underlying Fund Manager of the Underlying Fund and persons who execute the trades for the Underlying Fund do not receive or intend to receive soft dollar commissions.

12. OPERATION OF THE FUND

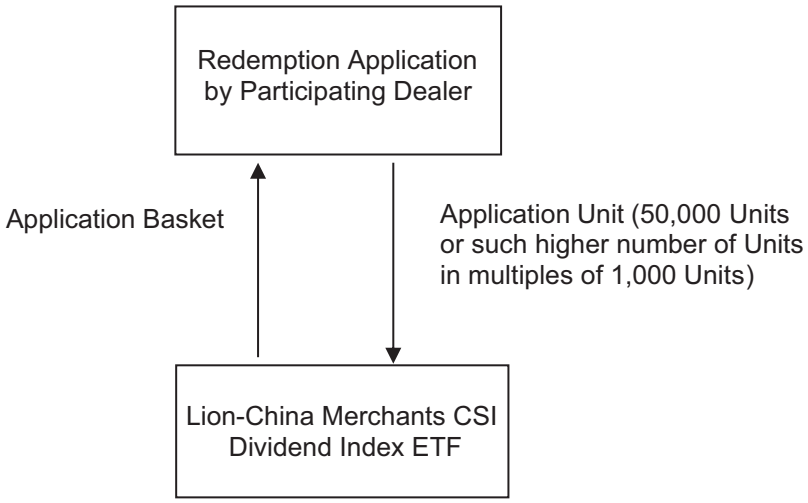
There are two types of investors in the Fund. The first type of investor is the Participating Dealer. Only the Participating Dealer can create and redeem Units directly with the Fund (i.e. Primary Market). The second type of investor is any person, other than the Participating Dealer, who buys and sells the Units on the SGX-ST (i.e. Secondary Market) or through a Participating Dealer (subject to such terms and conditions as may be imposed by the Participating Dealer). The diagrams below illustrate the methods of acquiring and disposing Units in the Fund after listing:

12.1 Primary Market - Direct Creation and Redemption by a Participating Dealer:

Direct Creation by a Participating Dealer

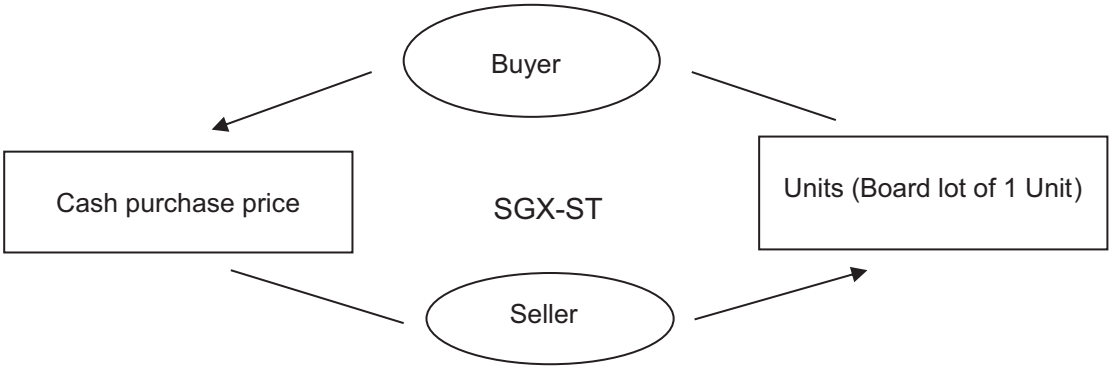


Direct Redemption by a Participating Dealer

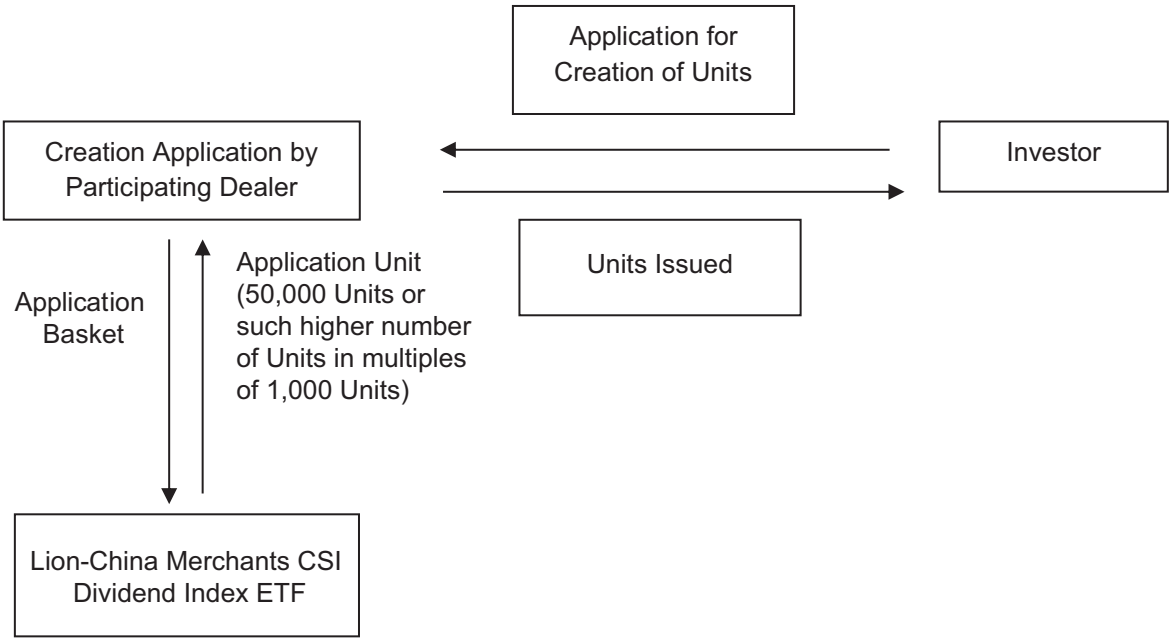


12.2 Investors other than Participating Dealers:

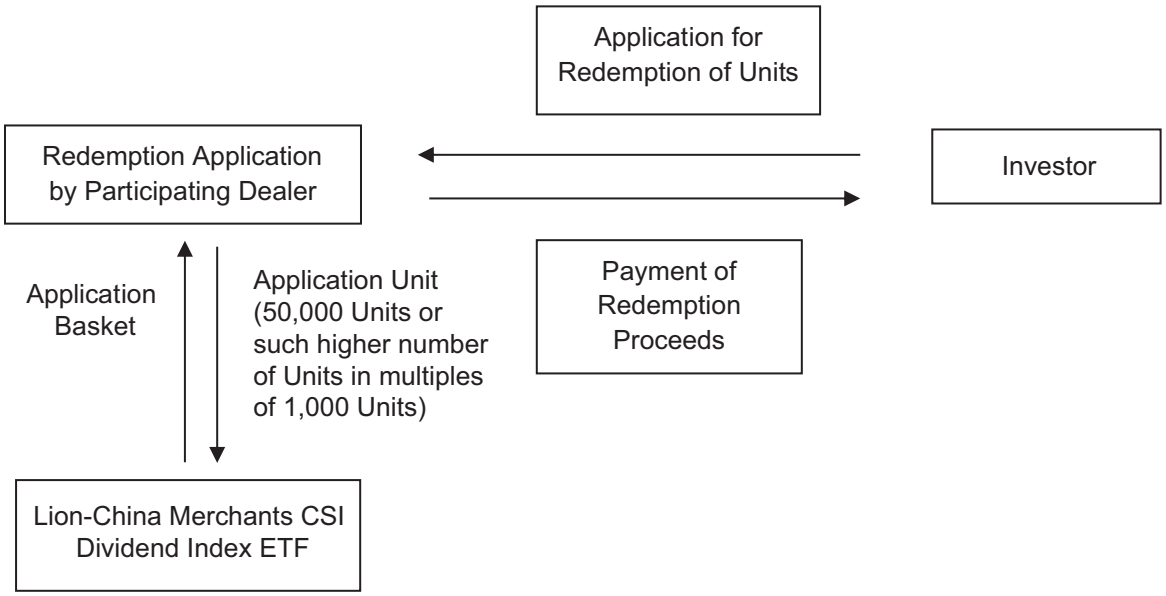
(i) Secondary Market - *Trading Units on the SGX-ST:*



(ii) Primary Market - *Subscribing and Redeeming Units through a Participating Dealer*[3]



[3] Only for clients of Participating Dealers and subject to such terms and conditions as may be imposed by the relevant Participating Dealer.

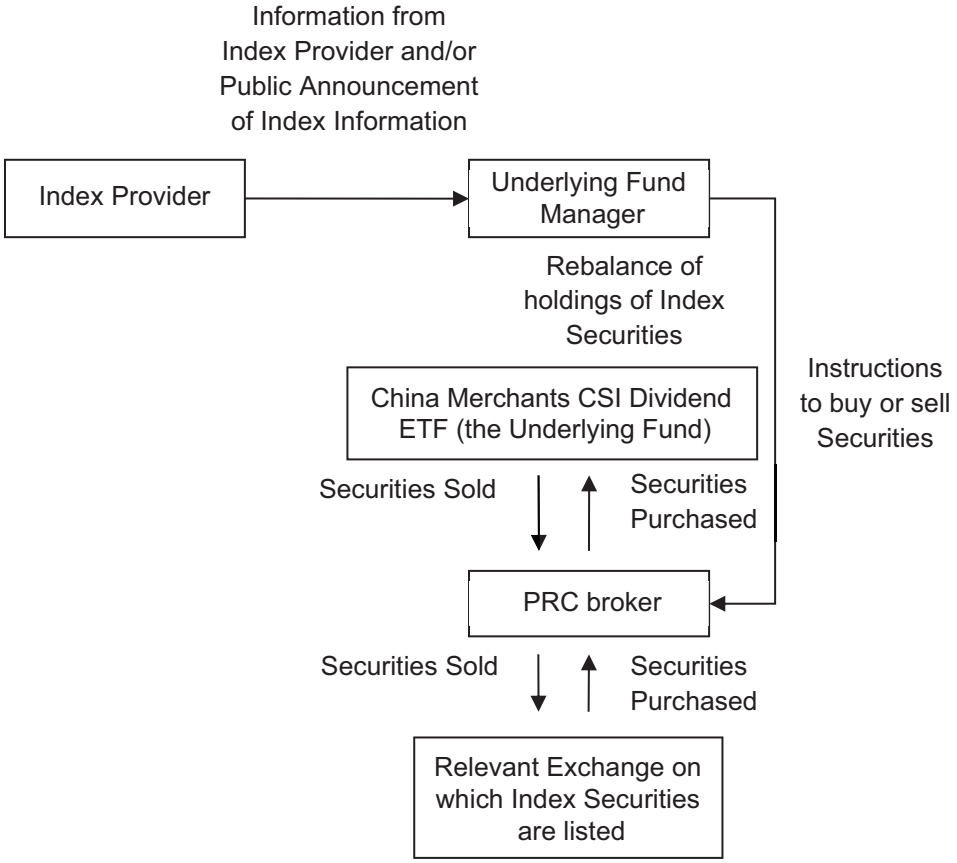


12.3 Index Rebalancing

The constituent Index Securities and their respective weightings within the Index will change from time to time. In order for the Fund to achieve its investment objective of tracking the Index, it will accordingly be necessary for the Underlying Fund Manager to rebalance the weightage of Index Securities comprised in the Index held by the Underlying Fund. We will liaise with the Index Provider and the Underlying Fund Manager with regard to such proposed rebalancing and/or derive public information announced by the Index Provider prior to the rebalancing of the holdings of Index Securities by the Underlying Fund Manager. However, we have no control over the extent of the rebalancing carried out by the Underlying Fund Manager at the Underlying Fund level.

The Index will be adjusted and rebalanced annually in December, using data from the last Index Business Day of October. Constituent changes will be effective on the next Index Business Day immediately following the 2nd Friday in December. As the Underlying Fund mainly adopts the full replication method, it is expected that during the annual adjustment and rebalancing, the Underlying Fund's holding of the Index Securities will be realigned to reflect substantially the Index constituents.

The diagram below represents the rebalancing of the Underlying Fund's holdings of Index Securities held by the Underlying Fund following the rebalancing of the Index:



12.4 Market Makers

A market maker is a broker or a dealer registered by the SGX-ST as a designated market maker to act as such by making a market for the Units in the secondary market on the SGX-ST. A designated market maker's 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 Units on the SGX-ST. Designated market makers accordingly 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 SGX-ST. Subject to applicable regulatory requirements, we intend to ensure that there is at least one designated market maker for the Fund to facilitate efficient trading.

The current designated market maker for the Fund is Phillip Securities Pte Ltd. Any change to the designated market maker will be announced on the SGXNET and our website at www.lionglobalinvestors.com.

12.5 Participating Dealer

The role of a Participating Dealer is to facilitate creation and redemption of Units in the Fund from time to time. Under the terms of the Participation Agreement, only a Participating Dealer may apply to create Units on the presentation of an Application Basket by it comprising the Index Securities and/or units of the Underlying Fund and/or the cash equivalent of the Index Securities and/or units of the Underlying Fund where applicable. In its absolute discretion, a Participating Dealer may also apply to create Units on behalf of its clients from time to time, subject to such terms and conditions as may be imposed by the relevant Participating Dealer.

Investors may refer to our website at www.lionglobalinvestors.com for the current list of Participating Dealers of the Fund. Any changes to these Participating Dealers will be announced on the SGXNET and our website.

12.6 Index Provider

The Index Provider is China Securities Index Co., Ltd.. The Index Provider has granted us a non-exclusive, non-sublicensable and non-transferable right to use the Index pursuant to the Index licence agreement entered into between us and the Index Provider. The Index licence agreement shall take effect on and from the date specified in the agreement and shall continue until termination in accordance with the provisions of the agreement. China Securities Index Co., Ltd. is the Benchmark Administrator, as defined by the IOSCO Principles for Financial Benchmarks published in July 2013 ("**IOSCO Principles**"). As the Benchmark Administrator, China Securities Index Co., Ltd. facilitates the administration, calculation, dissemination and governance of the Index. China Securities Index Co., Ltd. is entirely independent of us and no conflict of interest exists.

Disclaimer by Index Provider

All rights in the CSI Dividend Index ("**Index**") vest in China Securities Index Co., Ltd. ("**CSI**"). CSI does not make any warranties, express or implied, regarding the accuracy or completeness of any data related to the Index. CSI is not liable to any person for any error of the Index (whether due to negligence or otherwise), nor shall it be under any obligation to advise any person of any error therein. The 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.

13. DEALING BY INVESTORS (OTHER THAN PARTICIPATING DEALERS)

You cannot create or redeem Units directly in the Fund. However, you may purchase or sell Units either through Participating Dealers (subject to such terms and conditions as may be imposed by the relevant Participating Dealer) or through the SGX-ST. Dealing in Units through Participating Dealers are referred to as primary market transactions (see paragraphs 14.7 to 14.10) and dealing in Units on the SGX-ST are referred to as secondary market transactions (see paragraph 14.11).

14. SUBSCRIPTION AND REDEMPTION

14.1 Initial Offer Period

The initial offer period of the Fund is from 10 March 2025 to 24 March 2025 (or such other dates as we may determine in consultation with the Trustee) (the "**Initial Offer Period**").

During the Initial Offer Period, investors who wish to acquire Units may do so through (i) the Participating Dealers or (ii) the ATM of participating banks or (iii) internet banking of participating banks (if applicable). You may approach us for more information on how to apply for Units through the Participating Dealers appointed by us.

During the Initial Offer Period, (i) the Participating Dealers may only subscribe for an Application Unit in cash; and (ii) all Duties and Charges and transaction costs for such Application Unit incurred by the Participating Dealers shall be borne by the Fund. Currently, in-kind subscriptions are not permitted. In-kind subscriptions may be permitted at the discretion of the Manager in the future and investors are advised to check with the Manager or the Participating Dealers with regards to the same.

The Issue Price of each Unit during the Initial Offer Period is S$1.000 (for SGD Class Units) (or such other amount as may be determined by us from time to time with the prior approval of the Trustee).

Participating Dealers may apply for Units on their own account or for the account of their clients in accordance with the Operating Guidelines. The following table summarises the key events in our indicative timetable:-

Indicative Timetable

Event	Indicative Timeline
Initial Offer Period commences	10 March 2025 at 9:00 a.m. (Singapore time)
Initial Offer Period closes (unless extended by us)	24 March 2025 at 11:00 a.m. (Singapore time)
Listing commences and Units may be created and redeemed by any Participating Dealer as well as traded by any retail investor on a "ready" basis on the SGX-ST	Expected to be 9:00 a.m. on 28 March 2025, subject to the SGX-ST being satisfied that all conditions necessary for the commencement of trading in the Units on a "ready" basis have been fulfilled (unless the Initial Offer Period is extended in which case dealings on the SGX-ST will commence on the fourth (4th) Business Day following the close of the Initial Offer Period or such other time as may be determined by us).
Settlement date for all trades done on a "ready" basis on 28 March 2025	1 April 2025

The above timetable is indicative only and is subject to change. All dates and times referred to above are Singapore dates and times.

In the event of any extension of the Initial Offer Period, we will publicly announce the same via SGXNET, with the announcement to be posted on the SGX-ST website at http://www.sgx.com.

Investors should consult the SGX-ST announcement on the "ready" listing date on the SGX-ST website or check with their brokers on the date on which trading on a "ready" basis will commence.

14.2 Conditions of the Initial Offer

Application has been made to the SGX-ST for listing of and permission to deal in Units in the Fund. Units in the Fund 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.

The offer and issue of Units in the Fund during the Initial Offer Period is subject to and conditional upon valid Creation Applications accepted by us to create such number of Units in the Fund for a minimum value of S$20 million (or its equivalent in any other currency(ies) as may be determined by the Manager) by the close of the Initial Offer Period.

We will inform the Participating Dealers and the Trustee if the above condition is not fulfilled, unless otherwise waived at our discretion. The subscription amount (including any Duties and Charges and the Transaction Fee) paid by the Participating Dealer will be returned to the Participating Dealer (without interest) and (where you have applied for Units through Participating Dealers) you will be refunded by the Participating Dealer and should consult the Participating Dealer on the procedure for such refund.

14.3 Extension of the Initial Offer Period

If the Initial Offer Period is extended beyond 24 March 2025 to another Dealing Day (the "**Extended Date**"), dealings in the Units on the SGX-ST shall commence on the fourth Business Day after the Extended Date or such other time as may be determined by us.

14.4 Minimum Subscription Amount

After the close of the Initial Offer Period, the minimum subscription amount for the Fund through a Participating Dealer is 50,000 Units (or such higher number of Units in multiples of 1,000 Units) or such other subscription amount as may be determined by us (with prior written notice to the Trustee and the Participating Dealers).

14.5 Continuous Offering of Units and Dealing Deadlines

Units in the Fund will, subject to any suspension of dealings set out in the Trust Deed, be continuously offered to Participating Dealers who may apply for them on any Dealing Day on their own account or for the account of their clients in accordance with the Operating Guidelines. The Dealing Deadline for purposes of subscription or redemption of Units in cash or in-kind (if applicable) is 11:00 a.m. (Singapore time) (or such other time as we may determine with prior notification to Participating Dealers). All dealing requests are dealt with at the same Net Asset Value at the same Valuation Point for the relevant Dealing Day (or such other time as may be determined by us from time to time with the prior approval of the Trustee).

14.6 Application Unit Size

Units are offered and issued at their Net Asset Value only in Application Unit sizes generally in exchange for the cash equivalent of the Index Securities and/or units of the Underlying Fund and/or a portfolio of Index Securities and/or units of the Underlying Fund (if applicable). An Application Unit size is currently 50,000 Units (or such higher number of Units in multiples of 1,000 Units)[4]. Any change to the Application Unit size will be announced on the SGXNET. Applications submitted in respect of Units other than in Application Unit size will not be accepted.

Primary Market transactions

14.7 Procedures for Creation of Application Unit Size

Only Participating Dealers may apply directly to us to create Units. You may apply to create Units in Application Unit size through the Participating Dealers.

We shall instruct the Trustee to effect, for the account of the Fund, the creation of Units in Application Unit size (or such higher number of Units in multiples of 1,000 Units)[4] in accordance with any of (a) or (b) below as determined by us in our discretion:-

(a) in exchange for a cash payment by the Participating Dealer equivalent to the relevant Application Basket Value (which shall be accounted for as Deposited Property) plus an amount equivalent to any Cash Component, which we shall use to purchase the units of the Underlying Fund and/or the Index Securities comprised in the Application Basket, provided that we shall be entitled in our discretion to (i) charge to the Participating Dealer for which cash is paid in lieu of delivering any units of the Underlying Fund and/or Index Securities such additional sum as represents the appropriate provision for Duties and Charges and the Transaction Fee and (ii) cause to be paid to the Participating Dealer such amount as is determined by us for the purpose of compensating the Participating Dealer up to an amount equal to the positive difference (if any) between the prices used when valuing the units of the Underlying Fund and/or the Index Securities for the purpose of such creation and the purchase prices actually paid or to be paid out of the Deposited Property in acquiring such units of the Underlying Fund and/or Index Securities for the Fund (after the addition to the relevant purchase prices, of any Duties and Charges and the Transaction Fee in respect of such acquisition of units of the Underlying Fund and/or Index Securities); or

(b) in exchange for a delivery in-kind[5], by the Participating Dealer, to or for the account of the Trustee, of the units of the Underlying Fund and/or the Index Securities constituting an Application Basket for the relevant Units, payment of the cash amount equivalent to any Duties and Charges and the Transaction Fee payable plus, if applicable and where the Cash Component is a positive value, a cash payment equivalent to the amount of the Cash Component. If the Cash Component is a negative value and if directed by the Manager, the Trustee may be required to make a cash payment equivalent to the amount of the Cash Component to the Participating Dealer. If the Fund has insufficient cash required to pay any

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[4] Application Unit size is at the discretion of the Manager. Application Unit size may be less than 50,000 and in multiples of 1 Unit during the Initial Offer Period.

[5] Currently, in-kind subscriptions are not permitted. In-kind subscriptions may be permitted at the discretion of the Manager in the future and investors are advised to check with the Manager or the Participating Dealers with regards to the same.

Cash Component payable by the Fund, we may effect sales of the Deposited Property of the Fund, or may borrow moneys in accordance with the Trust Deed, to provide the cash required,

provided that we shall have the right to reject or suspend a Creation Application if (i) in our opinion, acceptance of any units of the Underlying Fund and/or Index Security included in an Application Basket would have certain adverse tax consequences for the Fund; (ii) we reasonably believe that the acceptance of any units of the Underlying Fund and/or Index Security included in an Application Basket would be unlawful; (iii) the acceptance of any units of the Underlying Fund and/or Index Security included in an Application Basket would otherwise, in our opinion, have an adverse effect on the Fund; (iv) circumstances outside our control which make it for all practicable purposes impossible to process the Creation Application; (v) we have suspended the rights of Participating Dealers, or when the determination of the Net Asset Value is suspended, pursuant to the Trust Deed, or (vi) an Insolvency Event occurs in respect of the relevant Participating Dealer.

Once the Units are created, we shall effect, for the account of the Fund, the issue of Units to the relevant Participating Dealer in accordance with the Operating Guidelines.

No fractions of a Unit shall be created or issued by the Trustee.

An application for the creation and issue of Units shall only be made or accepted (as the case may be) on a Dealing Day and shall only be in respect of Units constituting an Application Unit size or such higher number of Units in multiples of 1,000 Units. All Creation Applications shall only be accepted if made by or through a Participating Dealer in accordance with the terms of the relevant Participation Agreement. A Creation Application once given cannot be revoked or withdrawn without our consent.

The Issue Price of Units shall be based on forward pricing which means that the Issue Price of the Units shall not be ascertainable at the time of application for Units. The Issue Price of Units is denominated in SGD (for SGD Class Units).

A Creation Application received (or deemed received) and accepted in accordance with the Operating Guidelines on a Dealing Day shall be issued at that Dealing Day's Issue Price of the relevant Class but, for valuation purposes only, 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 Settlement Day or the Dealing Day immediately following 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 Dealing Deadline on a Dealing Day, that Creation Application shall be treated as having been received on the next Dealing Day, which shall be the relevant Dealing Day for the purposes of that Creation Application.

For every successful Creation Application, the Participating Dealer will be sent a confirmation detailing the number of Units allotted within 7 Business Days of the receipt of the application by the Registrar. All Units created through subscription of Units by you through the Participating Dealer will be entered on the records of CDP in your name.

No Units shall be issued to any Participating Dealer unless (i) the Creation Application is in a form and substance satisfactory to, and accompanied by such documents as may be required by, the Trustee and us in accordance with the Operating Guidelines, (ii) we and the Trustee receive copies of the certifications required under the Participation Agreement in respect of the creation of new Units, and (iii) we and the Trustee receive such other certifications and opinions of counsel as each may consider necessary to ensure compliance with applicable securities and other laws in relation to the creation and issue of Units which are the subject of the Creation Application.

We may charge a Transaction Fee in respect of Creation Applications and may on any day vary the amount of the Transaction Fee we charge (but not as between different Participating Dealers). The Transaction Fee shall be paid by or on behalf of the Participating Dealer applying for such Units (and may be set off and deducted against any Cash Component due to the Participating Dealer in respect of such Creation Application(s)) to the Trustee and/or the Registrar (as the case may be).

Any commission, remuneration or other sum payable by us to any agent or other person in respect of the issue or sale of any Unit shall not be added to the Issue Price of such Unit and shall not be paid from the Deposited Property.

The Trustee shall be entitled to refuse to enter (or allow to be entered) Units in the Register if at any time the Trustee is of the opinion that the provisions in regard to the issue of Units, are being or may be infringed.

Numerical example of amount payable in the case of a cash Creation Application

The following is an illustration of the total amount payable by a Participating Dealer making a cash Creation Application based on an Application Unit of 50,000 Units, a notional Issue Price per Unit of S$1.000 plus estimated Duties and Charges of S$30.25 and the Transaction Fee which is currently nil for cash creations and Slippages*.

(50,000 SGD Class Units	x	S$1.000)	+	S$30.25	+	S$0	+	S$15	=	S$50,045.25
Number of Units proposed to be subscribed		Issue Price per Unit		Estimated Duties and Charges		Transaction Fee		Slippages*		Total amount payable

** includes foreign exchange (FX) slippage and price slippage. FX slippage is fixed at 0.03% for Creation Applications and 0.05% for Redemption Applications. Price slippage is subject to market movements and may vary (i.e. positive or negative).*

Note: The above example is for illustration purposes only and should not be taken as any forecast of future performance. If you are subscribing through a Participating Dealer (whether directly or through a stockbroker), you should note that there may be other additional fees and charges (including brokerage fees and charges) payable to the Participating Dealer, and that the Participating Dealer may ultimately pass on fees and charges which it paid to us and/or Trustee for the Creation Application to you. You should consult the relevant Participating Dealer for details on all additional fees and charges payable by you.

14.8 Cancellation of Creation Application of Units and Extension of Settlement Period

We shall instruct the Trustee to cancel a Creation Application of Units if:-

(a) all the units of the Underlying Fund and/or the Index Securities constituting the Application Basket deposited for exchange have not been vested by or on the relevant Settlement Day in the Trustee or to the Trustee's satisfaction or evidence of title and instruments of transfer satisfactory to the Trustee have not been produced to or to the order of the Trustee; or

(b) the full amount of any cash payable (including cash payment representing an amount equivalent to the relevant Application Basket Value plus an amount equivalent to the Cash Component (if applicable), Duties and Charges and Transaction Fee) has not been received in cleared funds by or on behalf of the Trustee by such time on the Settlement Day as prescribed in the Operating Guidelines,

provided that we may at our discretion, with the approval of the Trustee, extend the settlement period (either for the Creation Application as a whole or for a particular Index Security or Index Securities and/or relevant units of the Underlying Fund and/or the cash equivalent of the Index Security(ies) and/or the units of the Underlying Fund), such extension to be on such terms and conditions (including as to the payment of an Extension Fee) as we, with the approval of the Trustee, may determine.

Upon the cancellation of any Creation Application as provided for above or if a Participating Dealer otherwise withdraws a Creation Application other than in the circumstances contemplated in Clause 7.17 of the Trust Deed, such units of the Underlying Fund and/or the Index Securities and/or the cash equivalent of the units of the Underlying Fund and/or Index Securities constituting the Application Basket as have been vested in the Trustee or cash paid in connection with a Creation Application (in either case in respect of such cancelled Units) shall be redelivered or

repaid (as the case may be) to the Participating Dealer and the relevant Units shall be deemed for all purposes never to have been created and the applicant therefore shall have no right or claim against us or the Trustee in respect of such cancellation provided that:-

- we may charge the relevant Participating Dealer (for the benefit of the Trustee and/or the Custodian (as the case may be)) an Application Cancellation Fee, being the fee payable by the Participating Dealer in respect of a Default, as set out in the Trust Deed and the Operating Guidelines applicable at the time the relevant Creation Application is made;
- we may at our discretion require the Participating Dealer to pay to the Fund in respect of each Unit so cancelled a 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 a Participating Dealer had, on the date on which such Units are cancelled, made a Redemption Application;
- we have a right to seek compensation from the Participating Dealer (for the benefit of the Fund) if a Creation Application is cancelled. This compensation shall encompass all reasonable costs incurred including brokerage fees, Duties and Charges (as applicable) and any losses suffered by the Fund for having to unwind the trades or effect any transactions to reverse the creation of Units as a result of the cancellation;
- the Trustee and/or the Registrar (as the case may be) shall be entitled to the Transaction Fee payable in respect of a Creation Application; and
- no previous valuations of the Fund shall be re-opened or invalidated as a result of the cancellation of such Units.

14.9 Procedures for Redemption of Application Unit Size

Only Participating Dealers may apply directly to us to redeem Units. You may apply to redeem Units in Application Unit size through the Participating Dealers.

We shall have the exclusive right, at any time and from time to time following a Redemption Application made by a Participating Dealer in accordance with the Trust Deed and the Operating Guidelines, by notice in writing to the Trustee to effect a reduction of the assets of the Fund on the relevant Settlement Day by requiring the Trustee to cancel the number of Units specified in such notice.

A Redemption Application shall only be made or accepted (as the case may be) on a Dealing Day and shall only be in respect of Units constituting an Application Unit size or such higher number of Units in multiples of 1,000 Units and shall only be accepted if made by or through a Participating Dealer in accordance with the terms of a Participation Agreement.

The Redemption Value shall be based on forward pricing which means that the Redemption Value of the Units shall not be ascertainable at the time of application to redeem Units.

If a Redemption Application is received on a day which is not a Dealing Day or is received after the Dealing Deadline on a Dealing Day, that Redemption Application shall be treated as having been received on the next Dealing Day, which shall be the relevant Dealing Day for the purposes of that Redemption Application. 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.

We shall, on receipt of a Redemption Application in Application Unit size (or such higher number of Units in multiples of 1,000 Units) from a Participating Dealer, effect the redemption of the relevant Units in accordance with any of (a) or (b) below as determined by us in our discretion:

(a) require the Trustee to pay to the Participating Dealer, (i) a cash amount equivalent to the relevant Application Basket Value plus (ii) an amount determined by us for the purpose of compensating the Participating Dealer up to the amount by which the prices used when valuing the units of the Underlying Fund and/or the Index Securities for the purpose of such Redemption Application are less than the sale prices actually received or to be received in selling the units of the Underlying Fund and/or the Index Securities for the Fund (after

the deduction from the relevant sale prices, of any Duties and Charges in respect of such disposal of units of the Underlying Fund and/or the Index Securities and the Transaction Fee); or

(b) require the Trustee to deliver in-kind[6] to the Participating Dealer, in accordance with the Operating Guidelines, the units of the Underlying Fund and/or the Index Securities constituting the Application Basket for the relevant Units plus, if the Cash Component is a positive value, a cash payment equivalent to the amount of the Cash Component (less any applicable Duties and Charges and the Transaction Fee). If the Cash Component is a negative value, the Participating Dealer shall be required to make a cash payment equivalent to the amount of the Cash Component to the Trustee and any applicable Duties and Charges and the Transaction Fee.

If the Fund has insufficient cash to pay any cash amount payable, we may effect sales of the Deposited Property of the Fund, or borrow moneys in accordance with the Trust Deed, to provide the cash required. The Participating Dealer shall be required to make a cash payment (if any) in respect of any Redemption Application in accordance with the Operating Guidelines.

To be effective, a Redemption Application must:-

- be given by a Participating Dealer in accordance with a Participation Agreement;
- specify the number of Units which is the subject of the Redemption Application; and
- include the certifications required in the Operating Guidelines in respect of redemptions of Units, together with such certifications and opinions of counsel as we and/or the Trustee may consider necessary to ensure compliance with applicable securities and other laws in relation to the redemption of Units which are the subject of the Redemption Application.

A Redemption Application once given cannot be revoked or withdrawn without our consent.

We may deduct from and set off against any Cash Component or any cash amount payable to a Participating Dealer on the redemption of Units such sum (if any) as we may consider represents the appropriate provision for Duties and Charges and the Transaction Fee. To the extent that the Cash Component and cash amount payable to the Participating Dealer are insufficient to pay such Duties and Charges and the Transaction Fee payable on such redemption, the Participating Dealer shall promptly pay the shortfall in the currency of account for the Fund or to the order of the Trustee respectively.

The Trustee shall not be obliged to deliver (and shall have a general lien over) the units of the Underlying Fund and/or the Index Securities constituting the Application Basket to be delivered in respect of the relevant Redemption Application and/or shall be entitled to withhold payment to the Participating Dealer of any cash amounts payable, until the Units to be redeemed are received to the order of the Trustee and such shortfall, if applicable, or any Cash Component, Transaction Fee, Duties and Charges and any Extension Fee payable by the Participating Dealer are paid in full in cleared funds to or to the order of the Trustee.

Unless specifically requested to do so by the Participating Dealer concerned not later than one month after the relevant Dealing Day, the Trustee shall be under no obligation to check the calculation of the Redemption Value in connection with any redemption or cancellation of Units but shall be entitled at any time before the audited accounts of the Fund, covering the relevant Dealing Day, have been prepared, to require the Fund Administration Agent to justify its calculation of the Redemption Value.

Any units of the Underlying Fund and/or Index Securities to be delivered and/or cash to be paid in respect of a Redemption Application shall be delivered and/or paid on the Settlement Day provided that a Redemption Application duly signed by a Participating Dealer (to our satisfaction and, where any amount is to be paid by telegraphic transfer to a bank account in Singapore, verified in such manner as may be required by, and to the satisfaction of, the Trustee) has been received in accordance with the Operating Guidelines and provided further that the Trustee shall have received (unless otherwise provided in the Operating Guidelines) the Units to be cancelled

[6] Currently, in-kind redemptions are not permitted. In-kind redemptions may be permitted at the discretion of the Manager in the future and investors are advised to check with the Manager or the Participating Dealers with regards to the same.

and the full amount of any cash equivalent of the units of the Underlying Fund and/or the Index Securities, Cash Component (if any) payable by the Participating Dealer and any Duties and Charges and the Transaction Fee payable have been deducted or otherwise paid in full.

On the relevant Settlement Day in relation to an effective Redemption Application:-

- the Units, which are the subject of the Redemption Application, shall be redeemed and cancelled;
- the assets of the Fund shall be reduced by the cancellation of those Units but, for valuation purposes only, such Units shall be deemed to have been redeemed and cancelled after the Valuation Point as at the Dealing Day on which the Redemption Application was received;
- the name of the Unitholder of such Units shall be removed from the Register of the Fund in respect of those Units on the relevant Settlement Day,

and the Trustee shall (if applicable) deliver the units of the Underlying Fund and/or the Index Securities and/or pay the cash equivalent of the units of the Underlying Fund and/or Index Securities relevant to the Redemption Application out of the Deposited Property to the relevant Participating Dealer and, where required under Clause 7.4 of the Trust Deed, shall pay any Cash Component if applicable (with such deductions as are permitted by the Trust Deed) in accordance with and subject to the provisions of Clause 7.4 and Clause 7.8 of the Trust Deed.

No units of the Underlying Fund and/or the Index Securities shall be delivered and no cash equivalent of the units of the Underlying Fund and/or Index Securities shall be paid in respect of any Redemption Application to the relevant Participating Dealer unless Units, which are the subject of the Redemption Application, have been delivered to the Trustee for redemption by such time on the Settlement Day as we and the Trustee shall for the time being prescribe for Redemption Applications generally.

Payment will be made within 2 Business Days after the receipt and acceptance of the Redemption Application unless the realisation of Units has been suspended in accordance with paragraph 19.

14.10 Cancellation of Redemption Application of Units and Extension of Settlement Period

If Units, which are the subject of a Redemption Application, are not delivered to us for redemption in accordance with the foregoing:-

- the Redemption Application shall be deemed never to have been made except that the Transaction Fee in respect of such application shall remain due and payable and once paid, shall be retained by the Trustee and/or the Registrar (as the case may be);
- we may charge the Participating Dealer (for the benefit of the Trustee and/or the Custodian (as the case may be)) an Application Cancellation Fee, being the fee payable by the Participating Dealer in respect of a Default, as set out in the Trust Deed and the Operating Guidelines applicable at the time the relevant Redemption Application is made;
- we may at our discretion require the Participating Dealer to pay to the Fund in respect of each Unit Cancellation Compensation, being the amount (if any) by which the Redemption Value of each such Unit is less than the Issue Price which would have applied in relation to each such Unit if a Participating Dealer had, on the final day permitted for delivery of Units which are the subject of the Redemption Application, made a Creation Application; and
- no previous valuations of the Fund shall be re-opened or invalidated as a result of an unsuccessful Redemption Application.

We, with approval of the Trustee, may at our discretion extend the settlement period, such extension to be on such terms and conditions (including as to the payment of an Extension Fee) as we may determine but, in any event, not later than one month from the receipt of an effective Redemption Application.

We may charge the Participating Dealer (for the benefit of the Trustee and/or the Registrar (as the case may be)) a Transaction Fee in respect of Redemption Applications and may on any day vary the amount of the Transaction Fee we charge (but not as between different Participating

Dealers). 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 cash amount due to the Participating Dealer in respect of such Redemption Application(s)).

Numerical example of the amount of redemption proceeds payable in the case of a cash Redemption Application

The following is an illustration of the redemption proceeds a Participating Dealer will receive based on a cash Redemption Application based on an Application Unit of 50,000 SGD Class Units, a notional Redemption Value per Unit of S$1.000 minus estimated Duties and Charges of S$30.25, the Transaction Fee which is currently S$450^ for cash redemptions and Slippages*.

(50,000 SGD Class Units	x	S$1.000)	-	S$30.25	-	S$450^	-	S$25	=	S$49,494.75
Number of Units proposed to be redeemed		Redemption Value per Unit		Estimated Duties and Charges		Transaction Fee		Slippages*		Redemption Proceeds

*^ subject to the prevailing goods and services tax ("**GST**").*

** includes foreign exchange (FX) slippage and price slippage. FX slippage is fixed at 0.03% for Creation Applications and 0.05% for Redemption Applications. Price slippage is subject to market movements and may vary (i.e. positive or negative).*

Note: The above example is for illustrative purposes only and should not be taken as any forecast of future performance. If you are redeeming through a Participating Dealer (whether directly or through a stockbroker), you should note that there may be other additional fees and charges (including brokerage fees and charges) payable to the Participating Dealer, and that the Participating Dealer may ultimately pass on fees and charges which it paid to us and/or the Trustee for the Redemption Application to you. You should consult the relevant Participating Dealer for details on all additional fees and charges payable by you.

Secondary Market transactions

14.11 Procedures for Purchase and Sale of Units via SGX-ST

If you wish to purchase or sell Units less than an Application Unit size of 50,000 Units after the Units are listed, you may purchase or sell your Units by trading the Units on the SGX-ST.

As the Fund is listed on SGX-ST, you can place an order to buy or sell Units in cash during the trading day through a broker or any Trading Member of the SGX-ST as one would in the case of a share listed on the SGX-ST, at any time after dealings in the Units commence and for so long as the Units are listed on the SGX-ST. The trading price of Units may differ from the Net Asset Value per Unit and there can be no assurance that a liquid secondary market will exist for the Units.

You may trade in SGD Class Units listed on the SGX-ST in S$ and CNH only.

If you wish to use your Supplementary Retirement Scheme ("**SRS**") monies to purchase Units in the Fund on the SGX-ST, you should check with your broker or SRS operator on the procedures.

Brokerage and other fees may be payable when purchasing and selling Units on the SGX-ST. Please see section 21.4 "Fees and Charges Payable by Investors Dealing in Units on the SGX-ST" below.

If you have purchased Units with monies from your SRS Account, any monies payable to you in respect of such Units shall be paid by transferring the monies to the relevant bank for credit to your SRS Account or otherwise in accordance with the provisions of any applicable law, regulations or guidelines. If the SRS Account has been closed, the monies shall be paid to you in cash or otherwise in accordance with any applicable law, regulations or guidelines.

Further, if the Units cease at any time to be listed on the SGX-ST and any other stock exchange on which the Units may be listed or quoted on for a continuous period of 30 days, subject to the section on "Suspension of Valuations and Dealings", we may, within 30 days (or such other

period as may be prescribed by the Authority or the SGX-ST) from the end of such 30-day period, commence accepting redemption requests directly from you subject to the provisions of the Trust Deed. If the Units are subsequently re-listed on the SGX-ST or a stock exchange, we will publicly announce the same via SGXNET and on such other stock exchange and redemption requests shall be made only through Participating Dealers (for Application Unit size) or sold on SGX-ST (for Units less than an Application Unit size) in the same manner as before the cessation of listing of the Units on the SGX-ST or such other stock exchange.

15. DIRECTED CASH DEALING

Where a Participating Dealer subscribes or redeems in cash, we may at our sole discretion (but shall not be obliged to) transact with a broker/dealer nominated by the Participating Dealer. Should the nominated broker/dealer default on, or change the terms for, any part of the transaction, the relevant Participating Dealer shall bear all the associated risks and costs. In such circumstances, we have the right to transact with another broker/dealer and amend the terms of the Creation Application or Redemption Application to take into account the default and the changes to the terms.

16. NO CERTIFICATES

Certificates will not be issued in respect of Units in the Fund. Units will be deposited, cleared and settled by the CDP, and held in book-entry form. CDP is the registered owner (i.e. the sole Unitholder on record) of all outstanding Units deposited with the CDP and is therefore recognised as the legal owner of such Units. If you own Units, you are the beneficial owner as shown on the records of CDP.

17. DETERMINATION OF NET ASSET VALUE

The Net Asset Value of the Fund will be determined as at the Valuation Point (or at such other time as we and the Trustee may determine) by valuing the assets of the Fund and deducting the liabilities of the Fund, in accordance with the terms of the Trust Deed.

The Trust Deed provides amongst other things that:-

(i) all calculations based on the value of investments quoted, listed, traded or dealt in on any securities market (including the Index Securities and units of the Underlying Fund) shall be made by reference to the price appearing to us to be the official closing price or last known transacted price on the Recognised Stock Exchange for such investments unless such prices are not representative or not available on the Recognised Stock Exchange, in which case we 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 official closing prices or last known transacted prices. If the investments are quoted, listed, traded or dealt in on several Recognised Stock Exchanges, the price shall be determined based on the primary Recognised Stock Exchange of such investments;

(ii) the value of any interest in any mutual fund corporation or unit trust shall be the last available net asset value per share or unit in such mutual fund corporation or unit trust unless such net asset value is not available or not considered by us to be appropriate, in which case the value of the relevant investment shall be certified by such firm or institution making a market in such investment as may be appointed for such purpose by us with the approval of the Trustee;

(iii) the value of any investment which is not listed or ordinarily dealt in on a Recognised Stock Exchange shall be based on its fair value (being the price that the Fund would reasonably expect to receive upon the current sale of the investment) made by a person approved by the Trustee as qualified to value such investments;

(iv) cash, deposits and similar investments shall be valued at their face value (together with accrued interest) unless, in our opinion, any adjustment should be made to reflect the fair value thereof; and

(v) notwithstanding the foregoing, we may adjust the value of any investment if, having regard to relevant circumstances, we consider that such adjustment is required to reflect the fair value of the investment.

Any changes by us to the method of determining the Net Asset Value as provided in Schedule 1 of the Trust Deed will require the prior approval of the Trustee, and we shall inform Unitholders of any such changes which the Trustee deems to be material. To the extent that Unitholders are to be informed of such change, this will be made via an announcement on SGXNET.

The Net Asset Value of the proportion of the Deposited Property attributable to each Class shall be calculated by apportioning the Net Asset Value of the relevant Deposited Property (obtained in accordance with the provisions above provided that no deduction or addition shall be made in respect of expenses, charges or other amounts which are not common to all the Classes) between the Classes and then deducting from or adding to the Net Asset Value of the proportion of the Deposited Property for each Class any expense, charge or other amount attributable to such Class (including any fee which differs between the Classes). For the avoidance of doubt, where any expense, charge or amount payable out of or payable into the Deposited Property pursuant to the Trust Deed is attributable only to a particular Class, such amount shall only be deducted from or added to the value of the Deposited Property which is attributable to that Class and shall not affect the calculation of the Value of the Deposited Property attributable to the other Classes.

18. ISSUE PRICE AND REDEMPTION VALUE

The Issue Price of Units of the relevant Class, created and issued pursuant to a Creation Application, shall be the Net Asset Value of such Class divided by the total number of Units in issue, truncated at three decimal places (or such other number of decimal places or by such other truncation or rounding method as we may from time to time determine with the approval of the Trustee).

The Redemption Value of Units of the relevant Class on a Dealing Day shall be the Net Asset Value of such Class divided by the total number of Units in issue, truncated at three decimal places (or such other number of decimal places or by such other truncation or rounding method as we may from time to time determine with the approval of the Trustee).

19. SUSPENSION OF VALUATIONS AND DEALINGS

Subject to the provisions of the Code relating to suspension of dealings, we and/or the Trustee may, after giving notice to the other party and the Authority, declare a suspension of the determination of the Net Asset Value of the Fund or Class and any dealings in the Units of the Fund or the relevant Class (as the case may be) for the whole or any part of any period during:-

(a) which there exists any state of affairs prohibiting the normal disposal of the Fund's investments; or

(b) which there is a breakdown in any of the means normally employed in determining the Net Asset Value or the Net Asset Value per Unit of the Fund or Class, or when for any other reason the value of any Security or other asset in the Fund or Class cannot, in our opinion and/or the opinion of the Trustee, reasonably, promptly and fairly be ascertained; or

(c) which circumstances exist as a result of which, in our opinion and/or the opinion of the Trustee, it is not reasonably practicable to realise any Securities held or contracted for the account of the Fund or it is not possible to do so without seriously prejudicing the interest of Unitholders; or

(d) which the remittance or repatriation of funds which will or may be involved in the realisation of, or in the payment for, the Securities of the Fund or the subscription or realisation of Units is delayed or cannot, in our opinion and/or the opinion of the Trustee, be carried out promptly or at normal rates of exchange; or

(e) which the right to redeem Units of the Fund is suspended; or

(f) any 48-hour period (or such longer period as may be agreed between us and the Trustee) prior to the date of any meeting of Unitholders of the Fund or the relevant Class (or any adjourned meeting thereof); or

(g) any period when our business operations and/or the business operations of the Trustee in relation to the operations of the Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God; or

(h) any period when the SHSE, or the official clearing and settlement depository (if any) of the SHSE, is closed, and such closure has an adverse impact on dealings on the primary market of the Fund; or

(i) any period when dealings on the SHSE are restricted or suspended, and such restriction or suspension has an adverse impact on dealings in the primary market of the Fund; or

(j) any period when dealings in or trading of the Underlying Fund is suspended, restricted or disrupted; or

(k) any period when the market value or fair value of a material portion of the Fund's assets cannot be determined; or

(l) any period and/or circumstances as may be required under the provisions of the Code.

Subject to the provisions of the Code, we and/or the Trustee may, at our/its discretion, at any time after giving notice to each other and the Authority and where practicable following consultation with the relevant Participating Dealer, suspend the right of the Participating Dealer to require the redemption of Units and/or delay the payment of any moneys and transfer of any Securities in respect of any Redemption Application and any dealings in the Units of the Fund during:-

(i) any period when any of the Relevant Exchanges on which an Index Security has its primary listing, or the official clearing and settlement depository (if any) of any of the Relevant Exchanges, is closed otherwise than for ordinary holidays; or

(ii) any period when dealings on any of the Relevant Exchanges on which an Index Security has its primary listing are restricted or suspended; or

(iii) any period when, in our opinion and/or the opinion of the Trustee, settlement or clearing of Index Securities in the official clearing and settlement depository (if any) of any of the Relevant Exchanges is disrupted; or

(iv) the existence of any state of affairs as a result of which delivery or purchase of Index Securities or disposal of investments for the time being comprised in the Fund cannot, in our opinion and/or the opinion of the Trustee, be effected normally or without prejudicing the interests of Unitholders; or

(v) any period when the Index is not compiled or published or becomes unavailable or is unable to be tracked or used in relation to the Fund for any reason whatsoever; or

(vi) any breakdown in the means normally employed in determining the Net Asset Value or the Net Asset Value per Unit or when for any other reason the Value of any Securities or other property for the time being comprised in the Fund or Class cannot, in our opinion and/or the opinion of the Trustee, reasonably, promptly and fairly be ascertained; or

(vii) any period when the determination of the Net Asset Value is suspended; or

(viii) any 48-hour period (or such longer period as may be agreed between us and the Trustee) prior to the date of any meeting of Unitholders of the Fund or the relevant Class (or any adjourned meeting thereof); or

(ix) any period when our business operations and/or the business operations the Trustee in relation to the operations of the Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God; or

(x) any period when the dealing of Units is restricted or suspended on the SGX-ST or pursuant to any order or direction issued by the Authority or the SGX-ST; or

(xi) any period when the SHSE, or the official clearing and settlement depository (if any) of the SHSE, is closed, and such closure has an adverse impact on dealings of the Fund on the SGX-ST; or

(xii) any period when dealings on the SHSE are restricted or suspended, and such restriction or suspension has an adverse impact on dealings of the Fund on the SGX-ST; or

(xiii) any period when dealings in or trading of the Underlying Fund is suspended, restricted or disrupted; or

(xiv) any period and/or circumstances as may be required under the provisions of the Code.

Subject to the provisions of the Code relating to suspension of dealings, such suspension shall take effect forthwith upon the declaration thereof and thereafter there shall be no determination of the Net Asset Value until we and/or the Trustee shall declare the suspension at an end, except that the suspension shall terminate in any event on the Business Day following the first Business 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 shall exist.

Whenever we and/or the Trustee declare such a suspension we shall, as soon as may be practicable after any such declaration, notify the Authority in accordance with the requirements in the Code. At least once a month during the period of such suspension, we will publish an announcement on our website containing information about the suspension of the determination of the Net Asset Value and/or suspension of dealings. Such suspension will also be publicly announced on the SGXNET.

No Units will be created or issued during any period of suspension. We and/or the Trustee may at any time by notice to each other and the Authority, suspend the issue of Units if, as a result of the investment of the proceeds of issue of such Units, the Fund would breach a provision of the Investment and Borrowing Guidelines, and the relevant provisions relating to suspension of the right of Unitholders to redeem Units shall also apply in accordance with the provisions of the Trust Deed.

20. DISTRIBUTION POLICY

Distributions, if any, will be determined by us. We currently intend to declare annual distributions, in December of each year, for the Fund. Payment of declared annual distributions will be made in January of the following year.

Distributions will only be paid to the extent that they are available for distribution pursuant to the Trust Deed. Distributions are not guaranteed and are subject at all times to our discretion. We will decide whether a distribution is to be made, if any, based on various factors, including dividend and/or interest income and/or capital gains derived from the investments of the Fund. In addition to distributions to Unitholders out of distributable income and/or capital gains, we may make distributions to Unitholders out of the capital of the Deposited Property in accordance with the provisions of the Trust Deed. Distributions (whether out of income and/or capital) may have the effect of lowering the Net Asset Value of the Class and this will be reflected in the Redemption Value of the Units. Moreover, distributions out of capital may amount to a reduction of a Unitholder's original investment. Unitholders redeeming their Units may therefore receive an amount less than their initial investment. Such distributions may also result in reduced future returns to Unitholders.

On a distribution, the Trustee, in accordance with our instructions, will allocate the amount available for distribution and will pay such amount to the CDP who will in turn allocate and make the necessary payment to the Unitholders based on the number of Units held by each Unitholder on the records of the CDP or its depository agents.

Amounts to be distributed in respect of each Unit shall be rounded to the nearest S$0.01 per Unit in respect of the SGD Class Units. Subject to the Trust Deed, the Trustee shall cause distributions payable to a Unitholder which remains unclaimed by the Unitholder for more than six (6) years and

interest, if any, earned thereon to be paid into court after deducting all fees, costs and expenses incurred in relation to such payment from the sum thereof provided that if the said sum, in the reasonable estimation of the Trustee, is insufficient to meet all such fees, costs and expenses, the Trustee shall be entitled to have recourse to the Deposited Property.

Income received by the Fund pending distributions may be invested by us in a manner consistent with achieving the investment objective of the Fund.

21. FEES, CHARGES AND EXPENSES

21.1 Manager's Fee

We are entitled to receive a management fee, currently at the rate of 0.50% per annum of the Net Asset Value of the Fund accrued daily and calculated as at each Dealing Day and payable monthly in arrears.

Under the terms of the Trust Deed, we may not increase the management fee to a percentage greater than the maximum percentage (i.e. 0.99% per annum of the Net Asset Value of the Fund) permitted by the Trust Deed without the sanction of an Extraordinary Resolution.

21.2 General Expenses

Any promotional expenses incurred by any marketing agents and any fees imposed by such marketing agents on their customers investing in the Fund will not be paid (either in whole or in part) out of the assets of the Fund.

All the expenses incurred in connection with the convening of meetings of Unitholders of the Fund or a Class and all other transactional costs and operating costs (relating to the administration of the Fund or Class) shall be paid out of the assets of the Fund or relevant Class.

The cost and expenses for the preparation of this Prospectus and any supplementary, replacement or updated prospectus, trust deed and any deeds supplemental or amendment and restating deeds, product highlights sheets, reports and/or other statements to Unitholders will be borne by the Fund or relevant Class.

The costs of establishing the Fund (which shall not exceed S$200,000) may be paid out of the Deposited Property and may be amortised over a period of up to three (3) years, at our discretion from the date of the first issue of Units.

21.3 Fees and Charges Payable by Participating Dealers (for Primary Market transactions)

The fees and charges payable by Participating Dealers in respect of the Fund are summarised as follows:

Creation of Units:	
Transaction Fee[7]	SGD Class Units: currently nil.
Application Cancellation Fee[8]	SGD Class Units: S$1,750 per Application
Extension Fee[9]	SGD Class Units: S$1,750 per Application
Foreign exchange slippage	0.03%
Price slippage	The price slippage is subject to market movements and can be positive or negative.

[7] A Transaction Fee is payable by a Participating Dealer to the Trustee and/or the Registrar (as the case may be).

[8] The Application Cancellation Fee is payable by a Participating Dealer to the Trustee and/or the Custodian (as the case may be) on each occasion that a Creation or Redemption Application is cancelled by the Participating Dealer or the Trustee where applicable.

[9] The Extension Fee is payable by a Participating Dealer to the Trustee and/or the Custodian (as the case may be) on each occasion that the Participating Dealer's request for extending settlement in respect of an Application is granted by us.

Redemption of Units:	
Transaction Fee[7]	SGD Class Units: S$450 per Application
Application Cancellation Fee[8]	SGD Class Units: S$1,750 per Application
Extension Fee[9]	SGD Class Units: S$1,750 per Application
Foreign exchange slippage	0.05%
Price slippage	The price slippage is subject to market movements and can be positive or negative.

The Participating Dealer shall also bear all transaction costs, Duties and Charges and other expenses and charges which are subject to change from time to time without prior notice, and the market risks in constituting and liquidating the Application Basket in relation to an Application.

21.4 Fees and Charges Payable by Investors Dealing in Units on the SGX-ST (for Secondary Market transactions)

The fees and charges payable by investors dealing in Units in the Fund on the SGX-ST are summarised as follows:

Subscription/Redemption fee	Nil
Brokerage	Market rates. You will have to bear brokerage fees charged by your stockbrokers.
Clearing fee and SGX access fee	Currently the clearing fee and SGX access fee for trading Units on the SGX-ST is at the rate of 0.0325% and 0.0075% of the traded value[#] and subject to the prevailing GST.

[#] Subject to change at SGX-ST's discretion.

21.5 Fees and Charges Payable by the Fund

The fees and charges payable by the Fund are summarised as follows:

Manager's fee	Currently 0.50% per annum of the Net Asset Value of the Fund. Maximum 0.99% per annum of the Net Asset Value of the Fund. The Manager's fee is retained by the Manager as the Manager does not pay any trailer fees with respect to the Fund.
Trustee's fee	Currently 0.02% per annum on the first SGD100 million of the Net Asset Value of the Fund, and 0.015% per annum on the next SGD400 million of the Net Asset Value of the Fund and 0.01% per annum on the balance above SGD500 million of the Net Asset Value of the Fund. Maximum 0.25% per annum of the Net Asset Value of the Fund, subject to a yearly minimum fee of SGD8,000 per annum.
Custodian fee	The Custodian Fee payable is subject to agreement between the Manager and the Custodian and may exceed 0.10% of the Net Asset Value of the Fund depending on, amongst others, the size of the Fund.
Other fees and charges	Other fees and charges include fund administration and valuation fees, legal fees, audit fees, transaction fees, accounting fees, licensing fees, transaction processing and cash processing fees. Such fees and charges are subject to agreement with the relevant parties and may amount to or exceed 0.10% of the Net Asset Value of the Fund, depending on the proportion each fee or charge bears to the Net Asset Value of the Fund.

22. REPORTS AND ACCOUNTS

The financial year-end of the Fund is 31 December every year. Unitholders may obtain electronic copies of the audited accounts and the annual report of the Fund from our website at www.lionglobalinvestors.com. The audited accounts and annual report will be made available on our website within three months of each financial year-end (unless otherwise waived or permitted by the Authority). Printed copies of the audited accounts and annual report are not sent to Unitholders. However, Unitholders who would like to receive printed copies of the audited accounts and annual report may submit the relevant request to us.

Unitholders may obtain electronic copies of the semi-annual unaudited accounts and the semi-annual report from our website at www.lionglobalinvestors.com. The semi-annual accounts and semi-annual report will be made available on our website within two months of 30 June (unless otherwise waived or permitted by the Authority). Printed copies of the semi-annual accounts and semi-annual report are not sent to Unitholders. However, Unitholders who would like to receive printed copies of the semi-annual accounts and semi-annual report may submit the relevant request to us.

The contents of the reports will comply with the requirements of the Code and the Listing Rules.

Copies of the audited accounts, the annual reports, the semi-annual unaudited accounts and the semi-annual reports will also be made available on SGXNET.

23. ANNOUNCEMENT OF MATERIAL INFORMATION

We will arrange for all material information that affects the Fund to be announced on SGXNET and on our website at www.lionglobalinvestors.com.

24. TRUST DEED

The Fund is established under Singapore law by the Trust Deed made between us 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. In the event of any conflict between any of the provisions of this Prospectus and those of the Trust Deed, the provisions of the Trust Deed shall prevail. The Trust Deed contains provisions for the indemnification of the Trustee and us and its/our respective agents and its/our relief from liability in certain circumstances. Unitholders and prospective applicants are advised to consult the terms of the Trust Deed. All material amendments to the Trust Deed will be announced on the SGXNET.

25. MODIFICATION OF TRUST DEED

We and the Trustee may agree to modify the Trust Deed by supplemental deed or amended and restated deed provided that in the opinion of the Trustee such modification (i) is not materially prejudicial to the interests of Unitholders and does not operate to release to any material extent the Trustee or us from any responsibility to the Unitholders or (ii) is necessary in order to make possible compliance with any fiscal, statutory or official requirement (whether or not having the force of law) or (iii) is made to correct a manifest error or to remove obsolete provisions. In all other cases modifications require the sanction of an Extraordinary Resolution of the Unitholders affected.

Subject to the Code, any material modifications to the Trust Deed, unless they are sanctioned by an Extraordinary Resolution of the Unitholders affected or in the opinion of the Trustee are not of material significance or are made to correct a manifest error or to remove obsolete provisions, will be notified by us to the Unitholders to the extent required in advance or as soon as practicable after they are made.

26. VOTING RIGHTS

Unitholders' meetings may be convened by us, by the Trustee or by Unitholders representing one-tenth or more of the current Units in issue. These meetings may be used to modify the terms of the Trust Deed, including to increase the maximum fees payable to the service providers, to remove the Trustee or to terminate the Fund or a Class at any time. Such amendments to the Trust Deed must be passed by a 75% majority of the votes cast. For meetings to pass Ordinary

Resolutions, Unitholders will be given at least 14 calendar days' notice (exclusive of the day on which the notice is served or deemed to be served and of the day for which notice is given) of such meeting. For meetings to pass Extraordinary Resolutions, Unitholders will be given at least 21 calendar days' notice (exclusive of the day on which the notice is served or deemed to be served and of the day for which notice is given) of such meeting.

We, the Trustee, the Custodian and our/their respective Connected Persons and our directors are prohibited from voting our/their beneficially held Units at or be counted in the quorum for a meeting at which we/they have a material interest in the business to be contracted.

We will in respect of voting rights relating to investments of the Fund where we may face conflicts of interests, cause these votes to be exercised in consultation with the Trustee.

27. RESTRICTIONS ON UNITHOLDERS

Every person purchasing Units will be deemed to have represented, agreed and acknowledged that he is not an Unauthorised US Person, U.S. Person or U.S. Holder.

We and/or the Trustee have the power to impose such restrictions as we and/or the Trustee may think necessary for the purpose of ensuring that no Units are acquired or held by:-

- any person (whether or not in breach of the law or requirements of any country or governmental authority or any stock exchange on which the Units are listed in circumstances) which, in our and/or the Trustee's opinion, might result in the Fund suffering any adverse effect which the Fund might not otherwise have suffered; or
- any person in breach of, or reasonably deemed by us to be in breach of, any applicable anti-money laundering or FATCA or identification verification or national status or residency requirement (whether under the terms of any underlying investment arrangement or otherwise) including without limitation the issue of any warranty or supporting document required to be given to the Trustee, Registrar or us.
- in circumstances which, in our and/or the Trustee's opinion, may result in the Fund incurring any tax liability or suffering any other pecuniary disadvantage which the Fund might not otherwise have incurred or suffered; or
- held by an Unauthorised US Person, U.S. Person or U.S. Holder.

If it shall come to our notice or the notice of the Trustee that any Units are owned directly or beneficially by any person in contravention of any such restrictions as are referred to in Clauses 3.4 and 3.5 of the Trust Deed, we or the Trustee (in consultation with the other), as the case may be, may give notice to such person requiring him to transfer such Units to a person who would not thereby be in contravention of any such restrictions as aforesaid or to request in writing the redemption of such Units in accordance with the provisions of the Trust Deed. If any person upon whom such a notice is served pursuant to Clause 7.19 of the Trust Deed does not within thirty days after such notice transfer such Units as aforesaid or establish to our satisfaction or the satisfaction of the Trustee, as the case may be, (whose judgment shall be final and binding) that such Units are not held in contravention of any such restrictions he shall be deemed upon the expiration of thirty days after such notice to have requested in writing the redemption of all such Units pursuant to the provisions of the Trust Deed.

A person who becomes aware that he is holding or owning Units in contravention of any such restrictions as are referred to in Clauses 3.4 and 3.5 of the Trust Deed shall forthwith unless he has already received a notice pursuant to Clause 3.7 of the Trust Deed either transfer all such Units to a person who would not thereby be in contravention of any such restrictions as aforesaid or request in writing the redemption of all such Units pursuant to the provisions of the Trust Deed.

We or the Trustee may at any time and from to time, by notice in writing, call upon any person holding directly or beneficially any Units to provide to us or the Trustee such information and evidence as we/it shall require upon any matter concerned with or in relation to such person's holding of or interest in, or the ultimate beneficial owners of (or intermediate holders or owners of), the Units. The exercise by us or the Trustee of the powers conferred by Clauses 3.4, 3.5, 3.6 or 7.19 of the Trust Deed shall not be questioned or invalidated in any case on the ground that

there was insufficient evidence of ownership of Units by any person or that the true ownership of any Units was otherwise than appeared to us or the Trustee at the relevant date, provided that the said powers shall have been exercised in good faith. Except where we or the Trustee are/is found by a court of competent jurisdiction that we have/it has acted in bad faith, we or the Trustee shall have no liability whatsoever to any person for any special, direct, indirect, consequential or any other damages (including lost profits) on account of anything done or omitted by us or the Trustee in exercising our/its duties and right to restrict or prevent ownership of Units by an Unauthorised US Person, U.S. Person, U.S. Holder or any person falling under Clause 3.4 of the Trust Deed.

28. REALISATION OF UNITS BY MANAGER

We (in consultation with the Trustee) shall have the right, by giving prior written notice to any Unitholder, to realise compulsorily Units in the Fund or Class held by:-

(a) any Unitholder who fails any anti-money laundering, anti-terrorist financing or know-your-client checks, or who is unable or unwilling to provide information and/or documentary evidence requested by us and/or the Trustee and/or our appointed representatives, agents and/or service providers for the purposes of any anti-money laundering, anti-terrorist financing or know-your-client checks;

(b) any Unitholder who fails to provide or update us with the Personal Information and Account Information, or who provides us with inaccurate, incomplete, false Personal Information or Account Information, or for whatever reason, we are prevented (under Singapore law or otherwise) from disclosing the Personal Information or Account Information for compliance with FATCA (as defined in this Prospectus), the Common Reporting Standard issued by the Organisation for Economic Co-operation and Development or any similar legislation, regulation or guidance enacted in any other jurisdiction applicable to the Fund which seeks to implement equivalent tax reporting and/or withholding tax regimes and/or automatic exchange of information;

(c) any Unitholder whose holdings of Units, in our opinion:-

    (i) may cause the Fund to lose its authorised or registered status with any regulatory authority in any jurisdiction; or

    (ii) may cause the offer of the Units of the Fund, this Prospectus, the Trust Deed, we and/or the Trustee to become subject to any authorisation, recognition, approval or registration requirements under any law or regulation in any other jurisdiction; or

    (iii) may cause a detrimental effect on the tax status of the Fund in any jurisdiction or on the tax status of the Unitholders of the Fund; or

    (iv) may result in the Fund or other Unitholders of the Fund suffering any other legal or pecuniary or administrative disadvantage which the Fund or other Unitholders might not otherwise have incurred or suffered; or

(d) any Unitholder:-

    (i) who, in our opinion, is or may be in breach of any applicable law or regulation in any jurisdiction; or

    (ii) where such realisation is, in our opinion, necessary or desirable for our compliance or the Fund's compliance with any applicable law or regulation in any jurisdiction (including any regulatory exemption conditions) and inter-governmental agreements between Singapore and any foreign government.

Any compulsory realisation under this paragraph shall be carried out by us on any Dealing Day, with prior written notice to the Unitholder, and shall be carried out in accordance with, and at the realisation price under, the applicable provisions on realisation in the Trust Deed. For avoidance of doubt, a realisation under this paragraph (be it a compulsory realisation by us or a realisation by the Unitholder in response to our written notice relating to a compulsory realisation) may also be

subject to applicable fees and/or charges as set out in this Prospectus and/or the Trust Deed, and all such fees and/or charges related to a realisation under this paragraph shall be borne by the Unitholder.

We, the Trustee and our/their respective delegates, associates, employees or agents, shall not be liable for any loss (whether direct or consequential and including, without limitation, loss of profit or interest) or damage suffered by the Unitholder or any party arising out of or in connection with (whether in whole or in part) any actions which are taken by us, the Trustee and/or any of our/their respective delegates, associates, employees or agents under this paragraph.

29. DUTIES OF TRUSTEE IN RELATION TO CHEQUES

It shall be the duty of the Trustee to prepare and (subject to reimbursement of its expenditure in accordance with the Trust Deed) pay, or caused to be prepared and paid, all cheques which the Trustee has to issue or send as provided in the Trust Deed and to sign such cheques and despatch them on the day on which they ought to be despatched.

30. POWER OF TRUSTEE AND MANAGER TO DISCLOSE INFORMATION

We and the Trustee may transfer and disclose any information whatsoever relating to the Fund, the Trustee or us and the Unitholders to the Trustee's or our head office, branches, subsidiaries, affiliates or agents whether in Singapore or elsewhere and third parties selected by either of us, wherever situated, for confidential use and in connection with services provided by the Trustee or us in relation to the Fund (including in connection with any service and for data processing, statistical and risk analysis purposes). We and the Trustee and our/its head office, branches, subsidiaries, representative offices, affiliates, agents or third parties may transfer and disclose any such information as is required or requested by any court, legal process or regulatory or examining authority (whether governmental or otherwise) any communications, clearing or payment systems, intermediary bank or other system.

31. TRANSFER OF UNITS

Units held by Unitholders may be transferred by an instrument in writing in common form signed by (or, in the case of a body corporate, signed on behalf of or sealed by) the transferor and the transferee. The transferor will be deemed to remain the holder of the Units transferred until the name of the transferee is entered in the relevant Register in respect of such Units.

For so long as the Units are listed on the SGX-ST, transfers of Units between depositors (i.e. direct account holders with the CDP and depository agents whose names are entered in CDP's register in respect of Units held by them) shall be effected electronically through the CDP making an appropriate entry in CDP's electronic register of the Units that have been transferred in accordance with CDP trading requirements, and the above paragraph will not apply to such transfers.

32. CONFLICTS OF INTEREST

We and the Trustee are not in any positions of conflict in relation to the Fund. We and the Trustee shall conduct all transactions with or for the Fund at arm's length. We are of the view that we are not in a position of conflict in managing our other funds and the Fund as each of the other funds and the Fund has its own investment universe, investment objectives and investment restrictions, separate and distinct from each of the other funds. We are obligated by the provisions of each respective trust deed to observe strictly such separate and distinct investment mandate for each of our funds. If the various funds place the same orders for the same securities as the Fund, we shall try as far as possible to allocate such securities among the funds in a fair manner based on a proportionate basis.

Our affiliates and the Trustee's affiliates are or may be involved in other financial, investment and professional activities which may sometimes give rise to possible conflict of interest within the management of the Fund. We and the Trustee will each ensure that the performance of our respective duties will not be impaired by any such involvement. If a conflict of interest does arise, we and/or the Trustee shall try to ensure that it is resolved fairly and in the interest of the Unitholders.

Associates of the Trustee may be engaged to provide financial, banking or brokerage services to the Fund or buy, hold and deal in any investments, enter into contracts or other arrangements with the Trustee and make profits from these activities. Our associates may also be engaged to provide financial, banking or brokerage services to the Fund and make profits from these activities. Such services, where provided and such activities, where entered into, by our associates or the associates of the Trustee, will be on an arm's length basis.

Subject to the provisions of the Code and the provisions of the Trust Deed, the Fund may invest in securities of affiliated parties of the Manager of the Fund. Any conflict of interests arising thereto will be resolved fairly and such investments will be made on normal commercial terms and consistent with the investment objective, focus and approach of the Fund.

33. REMOVAL OF THE MANAGER

Subject to applicable laws, if any of the following events shall occur, namely:-

- if we go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously notified in writing to the Trustee) or if a receiver is appointed over any of our assets or if a liquidator or judicial manager is appointed over us; or
- if in the opinion of the Trustee, we fail or neglect after reasonable notice from the Trustee to carry out or satisfy any obligations imposed on us by the Trust Deed. In such an event, the Trustee shall appoint another manager (duly approved as may be required by law for the time being applicable to the Trust Deed) as the new manager; or
- the Unitholders by an Extraordinary Resolution duly passed at a meeting of Unitholders (for which purpose Units held or deemed to be held by us shall not be included) shall so decide on a change of manager (including a meeting summoned by the Trustee pursuant to Clause 21.2 of the Trust Deed); or
- the Authority withdraws its approval of us as manager of the Fund or directs the Trustee to remove us as manager of the Fund,

the Trustee may, by notice in writing to us remove us from office and (subject to the Trust Deed) upon service of such notice, we shall cease to be the manager of the Fund.

34. RETIREMENT OF THE MANAGER

Under the terms of the Trust Deed, we may retire in favour of another manager that is acceptable to the Trustee and the relevant authorities by giving prior notice in writing to that effect to the Trustee. The Trustee shall as soon as practicable and by not more than 30 days after we have indicated our intention to retire, give notice to Unitholders to convene a meeting of Unitholders to approve some other person considered by the Trustee to be suitably qualified to act as manager of the Fund.

Any change to the manager of the Fund will be announced forthwith on the SGXNET and on our website at www.lionglobalinvestors.com.

35. REMOVAL OF THE TRUSTEE

The Trustee may be removed by notice in writing given by us in any of the following events:-

- if the Trustee goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously notified in writing to us) or if a receiver is appointed over any of its assets or if a liquidator or judicial manager is appointed in respect of the Trustee; or
- following a material breach of the Trustee's obligations under the Trust Deed which, if the breach is capable of remedy, the Trustee fails to remedy within 30 days (or such number of days as may be required by us and the Trustee) of being specifically required to do so by us, and we are of the opinion and state so in writing to the Trustee that a change of the Trustee is desirable and in the best interests of Unitholders as a whole; or

- if the Unitholders by Extraordinary Resolution duly passed at a meeting of Unitholders shall so decide on a change of Trustee; or
- if the Authority directs that the Trustee be removed.

In any of such events, we shall use our best endeavours to appoint another person duly eligible in accordance with Clause 29.3 of the Trust Deed and that is acceptable to the Authority to act as the new trustee of the Fund, and the Trustee shall upon receipt of notice by us execute such deed as required under Clause 29.4 of the Trust Deed.

36. RETIREMENT OF THE TRUSTEE

Under the terms of the Trust Deed, the Trustee shall not be entitled to retire voluntarily except upon the appointment of a new trustee. Such new trustee shall be a company eligible to be the trustee of the Fund and that is acceptable to the Authority. In the event of the Trustee desiring to retire it shall give notice in writing to that effect to us and we shall use our best endeavours to appoint another person as the new trustee for the Unitholders in the place of the retiring Trustee upon and subject to the retiring Trustee and such new trustee entering into such deed as required under the Trust Deed. If within a period of three months after the date on which the Trustee expresses in writing to us its desire to retire, we shall have failed to appoint a new trustee, the Trustee shall be entitled (but not obliged) to appoint a new trustee on the same basis as aforesaid or to terminate the Fund in accordance with Clause 32.1(E) of the Trust Deed.

37. LIABILITY AND INDEMNITY OF TRUSTEE, MANAGER AND REGISTRAR

Please note that the following paragraphs are extracts from the Trust Deed and you should refer to the Trust Deed for full details on the clauses relating to exemptions from liability (as well as indemnities) provided to the Trustee and us pursuant to the Trust Deed.

We, the Trustee, the Registrar or each of our/their duly appointed agents or delegates (including any sub-delegates) (including a custodian, co-custodian and sub-custodian appointed pursuant to Clause 13.2 of the Trust Deed) (hereinafter referred to as "**appointees**" for purposes of this section "Liability and Indemnity of Trustee, Manager and Registrar") shall not incur any liability in respect of any action taken, omission to do or thing suffered by us/them in reliance upon any notice, resolution, direction, consent, certificate, affidavit, statement, certificate of stock, plan of reorganisation or other document of title, or other paper or document believed to be genuine and to have been passed, sealed or signed by the proper parties.

We, the Trustee, the Registrar or each of our/their appointees shall not be responsible for the authenticity of any signature on or any seal affixed to any endorsement on any certificate or to any instrument of transfer or form of application, request for realisation, endorsement or other document affecting the title to or transmission of Units (received by mail, facsimile, electronic mail or otherwise, including signatures on such documents) or be in any way liable for any forged or unauthorised signature on or seal affixed to such endorsement, transfer, form or other document or for acting or relying on or giving effect to any such forged or unauthorised signature or seal or for exercising our/their discretion not to act on such instructions received by facsimile, electronic transmission or otherwise, provided that we, the Trustee, the Registrar or each of our/their appointees reasonably believed that such signature or seal was authentic.

We and the Trustee and each of our/its appointees may rely upon the established practice and rulings of any Recognised Stock Exchange and any committees and officials thereof on which any dealing in any investment is from time to time effected in determining what shall constitute a good delivery and any similar matters and such practice and rulings shall be conclusive and binding upon all persons under the Trust Deed.

We, the Trustee, the Registrar or each of our/their appointees shall not be responsible for acting upon any resolution purporting to have been passed at any meeting of Unitholders, in respect whereof minutes shall have been made and signed even though it may be subsequently found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not binding upon all the Unitholders in the Fund.

We, the Trustee, the Registrar or each of our/their appointees shall not incur any liability to the Unitholders or any of them for doing or (as the case may be) failing to do any act or thing which by reason of any provision of any present or future law or regulation made pursuant thereto or of any decree, order or judgment of any court or by reason of any request, announcement or similar action (whether of binding legal effect or not) which may be taken or made by any person or body acting with or purporting to exercise the authority of any government or regulatory authority (whether legally or otherwise) either we or any of them shall be directed or requested to do or perform or to forbear from doing or performing. If for any reason it becomes impossible or impracticable to carry out the provisions of the Trust Deed, neither we, the Trustee, nor the Registrar or each of our/their appointees shall be under any liability therefor or thereby.

The Trust Deed includes indemnities given in favour of the Trustee and us and any indemnity expressly given to the Trustee or to us or each of its/our appointees in the Trust Deed is in addition to and without prejudice to any indemnity or right of contribution allowed by law, and all the powers, privileges, rights and immunities expressly given to the Trustee or us are in addition to and without prejudice to any powers, privileges, rights and immunities granted to the Trustee or us by law. Any indemnity given to the Trustee or us under the Trust Deed shall survive our or the Trustee's retirement, removal or discharge. Nothing in any of the provisions of the Trust Deed shall in any case in which we and the Trustee or each of our/its appointees (as the case may be) have failed to show the degree of diligence and care required of us/it as manager and trustee and by the provisions of the Trust Deed, exempt us/it from or indemnify us/it against any liability for breach of trust or any liability which by virtue of any rule of law would otherwise attach to us/it in respect of any gross negligence, wilful default or breach of trust of which we/it may be guilty in relation to our/its duties.

Save as otherwise provided in the Trust Deed and to the extent permitted by the Authority and the applicable laws and regulations, the Trustee shall not incur any liability in respect of or be responsible for losses incurred through the insolvency of or any act or omission of any Correspondent (as defined below), depository or clearing system, broker, financial institution or other person with which the investments of the Fund are or may be deposited. Where we have instructed the Trustee to open an account(s) with any bank or other financial institutions in respect of the Fund, to the extent permitted under the applicable laws and regulations, the Trustee shall not be liable for any act or omission of such bank or other financial institutions or any loss occasioned by reason of the liquidation, bankruptcy or insolvency of such bank or other financial institutions.

We and the Trustee may act upon any advice of or information obtained from any bankers, accountants, brokers, lawyers, agents or other persons acting as agents or advisers of either us or the Trustee and shall not be liable for anything done or omitted or suffered in good faith in reliance upon such advice or information. Any such advice or information may be obtained or sent by letter, facsimile transmission or electronic mail and neither we nor the Trustee shall be liable for acting on any advice or information purported to be conveyed by any such letter, facsimile transmission or electronic mail notwithstanding that the same shall contain some error or shall not be authentic.

The Trustee or its appointees shall not be in any way responsible for any errors or disputes over any calculation or determination or be under any liability on account of anything done or suffered by the Trustee or its appointees in good faith in accordance with or in pursuance of any advice, request or instruction (including but not limited to any request for subscription or realisation of Units or any advice, request or instruction given by us in relation to the calculation and determination of the Net Asset Value of the Fund, the value of any Deposited Property or any part thereof or any cash amount payable to or by the Participating Dealer in respect of any Application) made by facsimile, electronic mail or telephone and allowed by us including but not limited to any loss arising from the non-receipt of any request for subscription or realisation of Units sent by facsimile or electronic mail notwithstanding the fact that a facsimile transmission report or email confirmation is produced by the originator of such transmission discloses that the transmission was sent.

We, the Trustee, the Registrar or each of our/their appointees shall not be under any liability (including, but not limited to, any loss, damage, claim, cost or expense which may happen to or be suffered by the Fund, or by the Income thereof, at any time or from any cause whatsoever)

except such liability as may be expressly imposed by the Trust Deed nor shall any of us/them (save as otherwise provided in this Prospectus) be liable for any act or omission of the other. For the avoidance of any doubt, the Trustee shall not be under any liability (save as otherwise provided in the Trust Deed) for any act or omission by us or any of our appointees.

Save as otherwise expressly provided in the Trust Deed, we and the Trustee and any of our/its appointees shall be entitled, for the purpose of indemnity against any actions, costs, claims, liabilities, damages, expenses (including all reasonable legal, professional and other similar expenses), proceedings or demands to which it may be put as us or the Trustee or our/its appointees, to have recourse to the assets of the Fund or any part thereof without prejudice to the right of the Trustee to be reimbursed out of the Deposited Property or any part thereof, in relation to any transaction entered into by us or the Trustee or any of our/its appointees with any third parties or any action taken or omission by us or the Trustee or any of our/its appointees, in connection with or for or on behalf of the Fund, provided that such transaction entered into or action taken by us or the Trustee or any of our/its appointees is in accordance with the terms of this Prospectus and the Trust Deed.

The Trustee and its appointees shall not be responsible for: (i) verifying or checking any valuation of any Deposited Property of the Fund or Class (as the case may be) or the Net Asset Value of the Fund or Class (as the case may be), any calculation of the prices at which Units are to be issued or realised, any calculation of the cash amount payable to or by the Participating Dealer in respect of any Application, (ii) verifying that a Participating Dealer has the requisite number of Units that are eligible to be redeemed in accordance with the relevant Participation Agreement in respect of a Redemption Application or (iii) the publication of the Net Asset Value per Unit (or the indicative Net Asset Value per Unit) of the Fund or Class (as the case may be) by any person including us, except as specifically provided in the Trust Deed.

For the avoidance of doubt, any reference to the Trustee in this paragraph 37 shall be construed to mean the Trustee in its own capacity and, where appropriate, in its capacity as the Registrar of the Fund.

We, the Trustee, the sub-manager (if any), the investment advisor (if any), the Custodian, the Participating Dealers, the market makers for the Fund and any Connected Person, director, officer, employee or agent of those respective parties 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 Fund or may be interested in any such contract or transaction provided that any such contract or transaction shall be conducted on an arm's length basis. We, the Trustee, the sub-manager (if any), the investment advisor (if any), the Custodian, the Participating Dealers, the market makers for the Fund and any such Connected Person, director, officer, employee or agent shall not be in any way liable to account to the Fund or the Unitholder or any of them for any profit or benefit made or derived thereby or in connection therewith.

The Trustee shall not be under any obligation to institute, acknowledge service of, appear in, prosecute or defend any action or suit in respect of the provisions of the Trust Deed or in respect of the Deposited Property or any part thereof or any corporate or shareholders' action which in its opinion (such opinion to be binding upon the Holders) would or might involve it in expense or liability unless we shall so request in writing and the Trustee shall be indemnified out of the Deposited Property to its satisfaction.

Save as otherwise expressly provided in the Trust Deed, we and the Trustee (for purpose of this section, the "**Delegator**") may at our/its own expense delegate by power of attorney or otherwise to any person, persons, fluctuating body of persons, firm or corporation all or any of the powers, rights, privileges, duties and discretions vested in us/it by these presents and such delegation may be made upon such terms and conditions and subject to such regulations (including powers to sub-delegate) as the relevant Delegator may think fit and the relevant Delegator shall:-

(a) exercise reasonable skill, care and diligence in the selection, appointment and monitoring of any such delegate;

(b) be responsible during the term of appointment of each delegate for satisfying themselves as to the ongoing suitability of such delegate to provide its services;

(c) not be liable for any losses incurred through the act or omission of any of its delegate except where it has failed to exercise reasonable care and skill in the selection, appointment and monitoring of such delegate (having regard to the market in which the relevant delegate is located); and

(d) not be liable for losses incurred through the insolvency of any delegate except where it has failed to exercise reasonable care and skill in the selection, appointment, and monitoring of such delegate, but shall use reasonable endeavours within its ability to recover any loss of Securities and investments arising directly from any default of a delegate.

The Trustee shall exercise reasonable skill, care and diligence in the selection, appointment and monitoring of any agent, nominee, custodian, co-custodian or sub-custodian appointed by the Trustee to hold any of the investments of the Deposited Property (each a "**Correspondent**") and shall not be liable for any losses incurred through the act or omission of any Correspondent except where it has failed to exercise reasonable care and skill in the selection, appointment and monitoring of such Correspondent (having regard to the market in which the relevant Correspondent is located).

Before making any distribution or other payment in respect of any Unit or in respect of our fee, the Trustee may make such deductions as by the law of the Republic of Singapore or by the law of any other country in which such payment or distribution is made the Trustee is required or entitled to make in respect of any income or other taxes, charges or assessments whatsoever and the Trustee may also deduct the amount of any stamp duties or other governmental taxes or charges payable by it for which it might be made liable in respect of such distribution or payment or any documents signed by it in connection therewith. The Trustee shall not be liable to account to any Unitholder or former Unitholder relating to the Fund for any payment made or suffered by the Trustee in good faith to any duly empowered fiscal authority of Singapore or elsewhere for taxes or other charges in any way arising out of or relating to any transaction of whatsoever nature under the Trust Deed notwithstanding that any such payments ought not to be or need not have been made or suffered.

Under no circumstances will we, the Trustee, the sub-manager (if any) and/or the investment advisor (if any) be liable for any special, indirect or consequential loss, loss of business, goodwill, opportunity or profit or any special or punitive damages of any kind whatsoever; in each case however caused or arising and whether or not foreseeable, even if advised of the possibility of such loss or damage.

The Trustee shall not be liable for any loss suffered by the Deposited Property of the Fund or any Unitholder of Units for any loss or damage arising from reasons or crisis beyond its control, or the control of any of its employees including without limitation nationalisation, expropriation, acts of war, terrorism, insurrection, revolution, civil interest, riots, strikes, nuclear fusion or acts of God.

The Trustee shall not be liable for any delay to or loss suffered by any Participating Dealer or its customer(s) caused by the creation or redemption of Units being suspended pursuant to the Trust Deed, caused by the CDP being closed or the settlement and clearing of securities in the CDP being disrupted in any way whatsoever, or due to any change (including but not limited to any change of the Index Basket) to the Operating Guidelines of the relevant Participation Agreement.

In the absence of fraud, wilful default and gross negligence by the Trustee, the Trustee shall not incur any liability by reason of any loss which any Unitholder may suffer by reason of any depletion in the Net Asset Value of the Fund or Class which may result from any borrowing arrangements made hereunder by reason of fluctuations in rates of exchange or otherwise and (save as otherwise expressly provided in the Trust Deed) the Trustee and its duly appointed agents shall be entitled to be indemnified out of and have recourse to the Fund in respect of any liabilities, costs, claims or demands which it may suffer arising directly or indirectly from the operation of Clause 12.12 of the Trust Deed and the arrangements referred to in the Trust Deed.

38. EXCHANGE CLEARANCE AND SETTLEMENT

For the purpose of trading on the SGX-ST, a board lot for the Units will comprise 1 Unit.

The Units will be traded under the electronic book-entry clearance and settlement system of CDP. All dealings in and transactions of the Units through the SGX-ST will be effected in accordance with the terms and conditions for the operation of Securities Accounts, as may be amended from time to time.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the Securities Accounts maintained by such accountholders with CDP.

38.1 Clearance and Settlement under the Depository System

The Units will be registered in the name of CDP or its nominee and held by CDP for and on behalf of persons who maintain, either directly or through depository agents, Securities Accounts with CDP. Persons named as direct Securities Account holders and depository agents in the depository register maintained by CDP will be treated as Unitholders in respect of the number of Units credited to their respective Securities Accounts. You should note that as long as the Units are listed on the SGX-ST, Units may not be withdrawn from the depository register kept by CDP.

Transactions in the Units under the book-entry settlement system will be reflected by the seller's Securities Account being debited with the number of Units sold and the buyer's Securities Account being credited with the number of Units acquired and no transfer stamp duty is currently payable for the transfer of Units that are settled on a book-entry basis.

Units credited to a Securities Account may be traded on the SGX-ST on the basis of a price between a willing buyer and a willing seller. Units credited into a Securities Account may be transferred to any other Securities Account with CDP, subject to the terms and conditions for the operation of Securities Accounts and a transfer fee payable to CDP (you should refer to the CDP's website at https://www1.cdp.sgx.com for the latest applicable transfer fee). All persons trading in the Units through the SGX-ST should ensure that the relevant Units have been credited into their Securities Account, prior to trading in such Units, since no assurance can be given that the Units can be credited into the Securities Account in time for settlement following a dealing. If the Units have not been credited into the Securities Account by the due date for the settlement of the trade, the buy-in procedures of the CDP will be implemented.

Trading of the SGD Class Units on the SGX-ST will be carried out in S$ and CNH, and will be effected for settlement in CDP on a scripless basis. Settlement of trades on a normal "ready" basis on the SGX-ST generally takes place on the second Business Day following the transaction date. CDP holds securities on behalf of investors in Securities Accounts. You may open a direct account with CDP or a sub-account with any CDP depository agent. A CDP depository agent may be a member company of the SGX-ST, bank, merchant bank or trust company.

38.2 Clearing Fees

A clearing fee and an SGX access fee for the trading of Units on the SGX-ST is payable at the rate of 0.0325% and 0.0075% of the transaction value respectively (or such other rate of clearing fee and SGX access fee as the SGX-ST may determine from time to time). The clearing fee, access fee, instrument of transfer, deposit fee and unit withdrawal fee may be subject to the prevailing GST.

38.3 Trading Currencies

The Fund consists of only 1 Class, namely SGD Class Units.

The SGD Class Units trade in different currency denominations on the SGX-ST, i.e. Singapore dollar (S$) and Chinese offshore RMB (CNH). Investors of the SGD Class Units can buy and/or sell Units in S$ and/or CNH, regardless of the currency in which it was first bought and/or sold.

Currency denomination available for trading	Traded Currency	Trading/Counter Name	Stock Code
Primary Currency (S$)	S$	Lion-CM CSI Div S$	INC
Secondary Currency (CNH)	CNH	Lion-CM CSI Div CNH	ICH

Unit holdings of the same Class will be consolidated in investors' CDP accounts so that the total number of Units of such Class can be viewed at a glance, for example, 1,000 S$-denominated Units and 1,000 CNH-denominated Units will be reflected as 2,000 Units of SGD Class Units in an investor's CDP account.

In most cases, the traded prices in the two currency counters should theoretically be equivalent or close to each other, taking into consideration the prevailing foreign exchange rate. However, in certain cases, due to market supply and demand factors in the respective counters and the market activity of the market makers, the price relationship and difference between the two counters might not necessarily be the foreign exchange rate between both counters.

Investors should refer to the SGX website at www.sgx.com for more information on dual currency trading.

39. TERMINATION

39.1 Termination of the Fund

The Fund is of indeterminate duration and shall continue until terminated in the manner provided in the Trust Deed.

The Fund may be terminated by the Trustee if any of the following events shall occur, namely:-

(a) if we go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously notified in writing to the Trustee) or if a receiver is appointed over any of our assets or if a liquidator or judicial manager is appointed over us; or

(b) in the opinion of the Trustee (and the Trustee shall so state in writing to us) we have ceased to carry on business or have, to the prejudice of Unitholders, failed to comply with any provision of the Trust Deed; or

(c) any law shall be passed which renders it illegal, impracticable or inadvisable in the opinion of the Trustee to continue the Fund; or

(d) either the Trustee shall be unable to find a person acceptable to the Authority to act as the new manager after the expiration of 3 months from the date of removing us as manager pursuant to Clause 29.5 of the Trust Deed or the person nominated by the Trustee as the new manager shall fail to be approved by an Extraordinary Resolution pursuant to Clause 29.8 of the Trust Deed; or

(e) the Trustee shall have decided to retire pursuant to Clause 29.2 of the Trust Deed, but after the expiration of 3 months after the Trustee giving notice to us of its desire to retire we shall be unable to find a suitable person who is willing to act as trustee and that is acceptable to the Authority; or

(f) if the Authority directs the termination of the Fund.

The Trustee may, in its absolute discretion, terminate the Fund under any of the circumstances set out above, by giving 3 months' prior notice in writing to us, except that the Trustee may terminate the Fund immediately pursuant to paragraphs (a), (c) and (f) above.

We may terminate the Fund if:-

(i) the aggregate Net Asset Value of all Units outstanding in the Fund shall be less than S$20 million or its equivalent in any other currency; or

(ii) any law is passed which renders it illegal, impracticable or inadvisable in our opinion to continue the Fund; or

(iii) in the case where we decide to retire, either the Trustee shall be unable to find a person acceptable to the Authority to act as the new manager after the expiration of 3 months of us giving the Trustee notice of our intention to retire pursuant to the Trust Deed, or the person nominated by the Trustee as the new manager shall fail to be approved by an Extraordinary Resolution pursuant to the Trust Deed; or

(iv) the Index is no longer available for benchmarking or the Index licence agreement is terminated and no suitable replacement index is available to the Fund; or

(v) the Units are no longer listed on the SGX-ST or any other Recognised Stock Exchange; or

(vi) the CDP or any other central depository system for the holding and transfer of book-entry securities is no longer able to act as the depository for the Units listed on the SGX-ST or any other Recognised Stock Exchange (as the case may be); or

(vii) the Authority revokes or withdraws the authorisation of the Fund under the Securities and Futures Act; or

(viii) we are unable to find an acceptable person to act as a Participating Dealer or a market maker; or

(ix) the Authority directs the termination of the Fund; or

(x) an amalgamation, reconstruction, reorganisation, dissolution, liquidation, merger, consolidation or delisting occurs in respect of the Underlying Fund, or there is a change in the manager of the Underlying Fund.

We may, in our absolute discretion, terminate the Fund under any of the circumstances set out above, by giving 3 months' prior notice in writing to the Trustee, except that we may terminate the Fund immediately pursuant to paragraphs (ii), (iv), (v), (vi), (vii), (viii), (ix) and (x) above.

The party terminating the Fund shall give 3 months' prior notice in writing to Unitholders, except where we or the Trustee may forthwith terminate the Fund as set out in the Trust Deed. Any such notice to be given to Unitholders in relation to the termination of the Fund will also be published on our website and SGXNET.

Further, Unitholders may at any time authorise termination of the Fund by Extraordinary Resolution passed at a duly convened Unitholders' meeting.

In the event of termination of the Fund, we shall provide such information, documents and assistance as may be necessary or reasonably requested by the Trustee to enable the Trustee to fulfil its duties and obligations pursuant to the termination of the Fund under the Code.

Upon the Fund being terminated, subject to authorisations or directions (if any) given to it by the Unitholders by Extraordinary Resolution:-

- We shall arrange the sale of all investments then comprised in the Fund being terminated and such sale shall be carried out and completed in such manner and within such period after the termination of the Fund as we shall consider advisable.

- The Trustee shall distribute to the Unitholders rateably in accordance with the number of Units held by them respectively all net cash proceeds derived from the realisation of the investments comprised in the Fund and (subject to Clauses 32.7(C) and 32.7(D) of the

Trust Deed) available for the purposes of such distribution except that in the event that circumstances exist as a result of which, in our sole opinion notified to the Trustee, it is not reasonably practicable to realise all the investments comprised in the Fund, the Trustee shall distribute to the Unitholders rateably in accordance with the number of Units held by them respectively the investments available *in specie* at a valuation determined by the Trustee (provided that no Unitholder will be required to accept the distribution to him of any assets *in specie* without his written consent).

- All payments in respect of such distributions shall be made in accordance with the relevant provisions of the Trust Deed. Every such distribution shall be made only upon delivery to the Trustee of such form of request for payment as the Trustee shall in its absolute discretion require.
- The Trustee shall not be bound (except in the case of the final distribution) to distribute any of the monies for the time being comprised in the Fund the amount of which is insufficient to pay $1 in the respective currency of each Class in respect of each undivided share in the Deposited Property of the Fund or Class.
- The Trustee shall be entitled to retain out of any monies comprised in the Deposited Property such sum as it shall determine to be full provision for all costs, charges, expenses, claims, demands, actions and proceedings incurred, made or instituted against or apprehended by the Trustee in connection with or arising out of the Fund or the termination thereof and shall, out of the monies so retained, be indemnified and saved harmless against any such costs, charges, expenses, claims, demands, actions and proceedings.

If the Fund is terminated by the Trustee or us in accordance with the terms of this Prospectus or the Trust Deed, notice of such termination will be announced on the SGXNET and we shall notify the Authority of such termination at least 7 days before the effective date of the termination of the Fund.

39.2 Termination of a Class

We may terminate a Class if:-

(i) the aggregate Net Asset Value of all Units outstanding in the Class shall be less than S$20 million or its equivalent in any other currency; or

(ii) any law is passed which renders it illegal, impracticable or inadvisable in our opinion to continue the Class; or

(iii) the Units of the Class are no longer listed on the SGX-ST.

We may, in our absolute discretion, terminate the Class under any of the circumstances set out above, by giving 3 months' prior notice in writing to the Trustee, except that we may terminate the Class immediately pursuant to paragraphs (ii) and (iii) above.

We shall give 3 months' prior notice in writing to Unitholders, except where we or the Trustee may forthwith terminate the Class as set out in the Trust Deed. Any such notice to be given to Unitholders in relation to the termination of the Class will also be published on our website and SGXNET.

The Class may be terminated at any time in the event that an Extraordinary Resolution of Unitholders in that Class to that effect is passed and such termination shall take effect from the date on which such Extraordinary Resolution is passed or such later date (if any) as such Extraordinary Resolution may provide.

40. PERFORMANCE AND BENCHMARK OF THE FUND

As the Fund has yet to be launched as at the date of this Prospectus, a track record of 1 year is not available.

The benchmark against which the performance of the Fund is measured is the CSI Dividend Index.

The past performance of the Underlying Fund# as at 31 October 2024 is as follows:

		Average Annual Compounded Return	
	1 year	**3 years**	**Since inception**
NAV-NAV*	10.46%	7.32%	13.17%
Benchmark (Price Return)^	6.41%	2.33%	4.32%
Benchmark (Net Total Return)^^	11.68%	7.32%	9.33%

Inception date of the Underlying Fund: 27 December 2019.

Source: Wind.

The excess return of the Underlying Fund (especially in 2020 and 2021) is contributed by the 2 factors below:-

(1) Dividends from underlying securities: While the Index is a price index which excludes underlying securities' dividends when they are distributed, some of the dividends are kept in the Underlying Fund and the calculation of the Underlying Fund's return takes into account the reinvestment of the Underlying Fund's dividends, which enhances the overall return.

(2) Active investment with a small portion of the Underlying Fund's total assets: Historically, especially in 2020 and 2021, the Underlying Fund Manager has consistently realized stable profits by strategically investing a small portion of the Underlying Fund's total assets into stocks during their initial public offering period and subsequently selling them upon listing on the A-share market.

* Performance figures are calculated as at 31 October 2024 on a NAV-to-NAV basis, with dividends being reinvested net of all charges payable upon reinvestment and in RMB. Figures for the last one year show the percentage change, while figures exceeding one year show the average annual compounded return.

^ Benchmark performance (in RMB) on a price return basis only takes into account price changes of the Index Securities.

^^ Benchmark performance (in RMB) on a net total return basis includes reinvested dividends, interest and other distributions from the Index Securities.

You should note that the past performance of the Fund or its benchmark or the Underlying Fund is not necessarily indicative of the future or likely performance of the Fund or the Underlying Fund. The Underlying Fund's past performance is not a proxy for the future performance of the Fund.

41. EXPENSE RATIO

As the Fund has yet to be launched as at the date of this Prospectus, the Fund's expense ratio is not available.

42. TURNOVER RATIO

As the Fund has yet to be launched as at the date of this Prospectus, the Fund's turnover ratio is not available.

The turnover ratio of the Underlying Fund for the period from 1 January 2023 to 31 December 2023 is 58%*.

* The turnover ratio of the Underlying Fund is calculated based on the lesser of purchases or sales of underlying investments of the Underlying Fund expressed as a percentage of daily average Net Asset Value of the Underlying Fund.

43. SINGAPORE TAXATION

THE DISCUSSION BELOW IS A SUMMARY OF CERTAIN SINGAPORE INCOME TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF UNITS IN THE FUND. THE SUMMARY IS BASED ON THE EXISTING PROVISIONS OF THE RELEVANT TAX LAW AND THE REGULATIONS THEREUNDER, AND PRACTICES IN EFFECT AS AT THE DATE HEREOF, ALL OF WHICH ARE SUBJECT TO CHANGE AND DIFFERING INTERPRETATIONS, EITHER ON A PROSPECTIVE OR RETROACTIVE BASIS. THE SUMMARY IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL THE TAX CONSIDERATIONS RELATING TO AN INVESTMENT IN THE FUND. YOU SHOULD CONSULT YOUR OWN TAX ADVISERS CONCERNING THE TAX CONSEQUENCES OF YOUR PARTICULAR SITUATION, INCLUDING THE TAX CONSEQUENCES ARISING UNDER THE LAWS OF ANY OTHER TAX JURISDICTION, WHICH MAY BE APPLICABLE TO YOUR PARTICULAR CIRCUMSTANCE.

Section 13D of the Singapore Income Tax Act

The Fund will avail itself to the tax exemption scheme under Section 13D of the Singapore Income Tax Act 1947 ("**ITA**") and the relevant regulations (the "**Section 13D Scheme**"). The key aspects relating to the taxation of Section 13D Scheme are summarized below.

43.1 Taxation of the Fund under Section 13D status and Holders in Singapore.

The key aspects relating to the taxation of Section 13D Scheme are summarised below.

43.1.1 Trust level

Specified Income derived from Designated Investments derived by the Fund will be exempt from tax in Singapore, subject to the relevant conditions under the Section 13D Scheme being met.

(i) "**Specified income**" is defined as:

Any income or gains derived on or after 19 February 2022 from Designated Investments except for the following:

(a) distributions made by a trustee of a real estate investment trust[10] that is listed on the Singapore Exchange;

(b) distributions made by a trustee of a trust who is a resident of Singapore or a permanent establishment in Singapore, other than a trust that enjoys tax exemption under Sections 13D, 13F, 13L or 13U of the ITA;

(c) income or gain derived or deemed to be derived from Singapore from a publicly-traded partnership and/or non-publicly traded partnership, where tax is paid or payable in Singapore on such income of the partnership by deduction or otherwise; and

(d) income or gain derived or deemed to be derived from Singapore from a limited liability company, where tax is paid or payable in Singapore on such income of the limited liability company by deduction or otherwise.

[10] As defined in Section 43(10) of the ITA, which is a trust constituted as a collective investment scheme authorised under Section 286 of the SFA and listed on the Singapore Exchange, and that invests or proposes to invest in immovable property and immovable property-related assets.

(ii) "**Designated investments**" on or after 19 February 2022 is defined as:

(a) Stocks and shares of any company, other than an unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);

(b) Debt securities (i.e. bonds, notes, commercial papers, treasury bills and certificates of deposits), other than non-qualifying debt securities[11] issued by an unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);

(c) Units in real estate investment trusts and exchange traded funds constituted in the form of trusts and other securities (not already covered in other sub-paragraphs of the Designated Investments list) but excludes any securities issued by any unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);

(d) Futures contracts held in any futures exchanges;

(e) Immovable property situated outside Singapore;

(f) Deposits placed with any financial institution;

(g) Foreign exchange transactions;

(h) Interest rate or currency contracts on a forward basis, interest rate or currency options, interest rate or currency swaps, and any financial derivative[12] relating to any designated investment specified in this list or financial index;

(i) Units in any unit trust, except:

(1) A unit trust that invests in Singapore immovable properties;

(2) A unit trust that holds stock, shares, debt or any other securities, that are issued by any unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development); and

(3) A unit trust that grant loans that are excluded under (j);

(j) Loans[13], except:

(1) Loans granted to any unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);

(2) Loans to finance / re-finance the acquisition of Singapore immovable properties; or

(3) Loans that are used to acquire stocks, shares, debt or any other securities, that are issued by an unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);

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[11] "Non-qualifying debt securities" will refer to debt securities that do not enjoy the "Qualifying Debt Securities" tax status as defined under Section 13(16) of the ITA.

[12] In Annex 2 of FDD Cir 09/2019, the list of designated investments only mentions "financial derivatives". To clarify, "financial derivatives" within the list of designated investments should only refer to "financial derivatives relating to any designated investment or financial index".

[13] This includes secondary loans, credit facilities and advances.

(k) Commodity derivatives[14];

(l) Physical commodities other than physical investment precious metals mentioned in (z) if:

(1) The trading of those physical commodities by the prescribed person, approved company or approved person in the basis period for any year of assessment is done in connection with and is incidental to its trading of commodity derivatives (referred to in this paragraph as related commodity derivatives) in that basis period; and

(2) The trade volume of those physical commodities traded by the prescribed person, approved company or approved person in that basis period does not exceed 15% of the total trade volume of those physical commodities and related commodity derivatives traded in that basis period;

(m) Units in a registered business trust;

(n) Emission derivatives[15] and emission allowances;

(o) Liquidation claims;

(p) Structured products[16];

(q) Islamic financial products[17] and investments in prescribed Islamic financing arrangements under Section 34B of the ITA that are commercial equivalents of any of the other designated investments specified in this list[18];

(r) Private trusts that invest wholly in designated investments specified in this list;

(s) Freight derivatives[19];

(t) Publicly-traded partnerships that do not carry on a trade, business, profession or vocation in Singapore[20];

(u) Interests in limited liability companies that do not carry on any trade, business, profession or vocation in Singapore;

(v) Bankers' acceptances issued by financial institutions;

(w) Accounts receivables and letters of credits;

(x) Interests in Tokumei Kumiai ("TK")[21] and Tokutei Mokuteki Kaisha ("TMK")[22];

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14 Commodity derivatives means derivatives, the payoffs of which are wholly linked to the payoffs or performance of the underlying commodity.

15 Emission derivatives means derivatives, the payoffs of which are wholly linked to the payoffs or performance of the underlying emission allowances.

16 As per the definition of "structured product" under Section 13(16) of the ITA.

17 Recognised by a Shariah Council, whether Singapore or overseas.

18 The former is included as a designated investment with effect from 19 February 2019.

19 Freight derivatives mean derivatives, the payoffs of which are wholly linked to the payoffs or performance of the underlying freight rates.

20 The allocation of profits from such partnerships to the fund vehicle will be considered as specified income. However, the fund vehicle would not be entitled to a refund of any taxes that was imposed on the partnership profits. This would relate to the publicly-traded partnerships' profits which are derived or deemed to be derived from Singapore, and examples of such income are payments that fall within Section 12(6) and (7) of the ITA.

21 A TK is a contractual arrangement under which one or more silent investors (the TK investor) makes a contribution to a Japanese operating company (the TK operator) in return for a share in the profit/loss of a specified business conducted by the TK operator (the TK business).

22 A TMK is generally a type of corporation formed under Japanese law. It is a structure/entity used for securitisation purposes in Japan. TMK was not mentioned in Annex 2 of FDD Cir 09/2019 and is now included herein for the avoidance of doubt.

(y) Non-publicly-traded partnerships that:

i. Do not carry on a trade, business, profession or vocation in Singapore; and

ii. Invest wholly in designated investments specified in this list; and

(z) Physical investment precious metals, if the investment in those physical investment precious metals does not exceed 5% of the total investment portfolio, calculated in accordance with the formula A ≤ 5% of B, where –

i. A is the average month-end value of the total investment portfolio in physical IPMs over the basis period; and

ii. B is the value of the total investment portfolio as at the last day of the basis period.

We will endeavour to conduct the affairs of the Fund in such a way that the Fund will satisfy the qualifying conditions under the Section 13D Scheme for the life of the Fund. Notwithstanding the foregoing, there is no assurance that we will, on an on-going basis, be able to ensure that the Fund will always meet all the qualifying conditions for the Section 13D Scheme. If the Fund is disqualified from the Section 13D Scheme, it may be exposed to Singapore tax on its income and gains, wholly or partially as the case may be, at the prevailing corporate tax rate. The Fund can however, enjoy the tax exemption under the Section 13D Scheme in any subsequent period if it is able to satisfy the specified conditions in that subsequent period.

43.1.2 Holders' level

Distributions paid by the Fund out of income derived during the periods that the Fund enjoys the Section 13D Scheme will be exempted from Singapore tax in the hand of its investors.

Singapore currently does not impose tax on capital gains. However, there are no specific laws or regulations which deal with the characterisation of gains. In general, gains from the disposal or redemption of the Units may be construed to be of an income nature and subject to Singapore income tax if they arise from activities which the IRAS regards as the carrying on of a trade or business in Singapore.

Financial amount payable by non-qualifying investors in the Fund

Even though the Fund may be exempt from tax as outlined above, investors should note that under certain circumstances, they may be obliged to pay a "financial amount" to the IRAS if they are not "qualifying investors".

Generally, investors who do not fall under the following will be considered as "non-qualifying":

(i) An individual investor.

(ii) A bona fide non-resident non-individual investor[23] (excluding a permanent establishment in Singapore) that:

(a) does not have a permanent establishment in Singapore (other than a fund manager) and does not carry on a business in Singapore; or

(b) carries on an operation in Singapore through a permanent establishment in Singapore but does not use funds from its operation in Singapore to invest in the qualifying fund;

(iii) Designated person[24];

(iv) A section 13O fund which, at all times during the basis period for the year of assessment, satisfies the conditions under S13O scheme;

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[23] A bona fide non-resident non-individual investor is one which carries out substantial business activities for genuine commercial reasons and has not as its sole purpose the avoidance or reduction of tax.

[24] "Designated Person" as defined in the Income Tax (Exemption of Income of Prescribed Persons Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010.

(v) A section 13U fund which, at all times during the basis period for the year of assessment, satisfies the conditions under S13U scheme; and

(vi) An investor other than one listed in (i) to (v):

(a) where the S13D fund has less than 10 investors and such an investor, alone or with his associates, beneficially owns not more than 30% of the total value of issued securities of the S13D fund (being a company) or the total value of the S13D fund (being a trust fund), as the case may be; or

(b) where the S13D fund has 10 or more investors and such an investor, alone or with his associates, beneficially owns not more than 50% of the total value of the issued securities of the S13D fund (being a company) or the total value of the S13D fund (being a trust fund), as the case may be.

For the purpose of determining whether an investor of a S13D fund is an associate of another investor of the fund, the two investors shall be deemed to be associates of each other if:

(i) at least 25% of the total value of the issued securities in one investor is beneficially owned, directly or indirectly, by the other; or

(ii) at least 25% of the total value of the issued securities in each of the two investors is beneficially owned, directly or indirectly, by a third party.

You should note that you are solely responsible for computing the aggregate unitholdings of you and your associates to determine if you would be a non-qualifying investor. Non-qualifying investors are obliged to declare and pay the financial amount in their respective income tax returns for the relevant year of assessment.

43.2 Taxation of the Fund under Section 13U status and Holders in Singapore

In the future, the Fund intends to apply for tax exemption under Section 13U of the ITA once it is able to meet the relevant conditions (the "**Section 13U Scheme**"), whereupon the Section 13D Scheme tax exemption will cease to apply.

43.2.1 Trust level

Specified Income derived from Designated Investments derived by the Fund will be exempt from tax in Singapore, subject to the relevant conditions under the Section 13U Scheme being met.

The terms "specified income" and "designated investments" have the same meanings as the Section 13D Scheme.

We will endeavour to conduct the affairs of the Fund in such a way that the Fund will satisfy the qualifying conditions under the Section 13U Scheme for the life of the Fund. Notwithstanding the foregoing, there is no assurance that we will, on an on-going basis, be able to ensure that the Fund will always meet all the qualifying conditions for the Section 13U Scheme. If the Fund is disqualified from the Section 13U Scheme, it may be exposed to Singapore tax on its income and gains, wholly or partially as the case may be, at the prevailing corporate tax rate. The Fund can however, enjoy the tax exemption under the Section 13U Scheme in any subsequent period if it is able to satisfy the specified conditions in that subsequent period.

43.2.2 Holders' level

Distributions paid by the Fund out of income derived during the periods that the Fund enjoys the Section 13U Scheme will be exempted from Singapore tax in the hand of its investors.

Singapore currently does not impose tax on capital gains. However, there are no specific laws or regulations which deal with the characterisation of gains. In general, gains from the disposal or redemption of the Units may be construed to be of an income nature and subject to Singapore income tax if they arise from activities which the IRAS regards as the carrying on of a trade or business in Singapore.

43.3 PRC Taxation

In this paragraph 43.3 only, references to "PRC" or "China" refer to People's Republic of China, excluding Hong Kong, Macau and Taiwan.

The following summary of PRC taxation on the Fund's key investments 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 China and the laws and practice of their respective jurisdictions. The information below is based on the law and practice in force in China 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.

A. PRC Corporate Income Tax ("CIT")

If the Fund is considered as a tax resident enterprise of the PRC, it should be subject to CIT at 25% on its worldwide taxable income. If the Fund is considered as a non-PRC tax resident enterprise with an establishment or place of business ("**PE**") in the PRC, the profits and gains attributable to that PE should be subject to CIT at 25%.

If the Fund is a non-PRC tax resident enterprise without a PE in the PRC or has a PE in the PRC but the income derived is not effectively connected with such PE, it will be subject to PRC WHT, generally at a rate of 10%, to the extent it directly derives the PRC sourced passive income, unless a specific exemption or reduction is available under current PRC tax laws and regulations or relevant tax treaties.

We intend to manage and operate the Fund to the extent commercially feasible, in such a manner that the Fund should not be treated as a tax resident enterprise of the PRC or non-PRC tax resident enterprise with a PE in the PRC for CIT purposes, although this cannot be guaranteed.

(i) Dividend

Under the current PRC CIT law, non-PRC tax residents (including the Fund) without a PE in the PRC, should be subject to PRC WHT on cash dividends and bonus distributions from PRC-incorporated ETFs (including the Underlying Fund). The general WHT rate applicable is 10%, subject to treaty relief.

- For dividends and distributions received by non-PRC tax residents (including the Fund) from PRC-incorporated ETFs (including the Underlying Fund) traded via Stock Connect, the 10% WHT should be withheld by the underlying PRC listed companies in the investment portfolio of PRC-incorporated ETFs (including the Underlying Fund) according to Circular [2022] No. 24 ("**Circular 24**") jointly issued by the MOF, STA and CSRC.

(ii) Capital gain

- According to Circular 24, capital gains derived by non-PRC enterprises (including the Fund) from the trading of PRC-incorporated ETFs (including the Underlying Fund) via Stock Connect are temporarily exempt from WHT.

B. Value added Tax ("VAT")

On 23 March 2016, the MOF and the STA jointly released Caishui [2016] No.36 ("**Circular 36**") on the VAT reform. VAT reform was officially implemented on 1 May 2016. Pursuant to Circular 36, gains derived from the trading of financial products in China would be subject to 6% VAT, unless there is specific exemption.

(i) Dividend income

- Dividend income or profit distributions from PRC-incorporated ETFs (including the Underlying Fund) are not included in the taxable scope of VAT and thus not subject to VAT.

(ii) Capital gains

- According to Circular 24, capital gains realised by non-PRC enterprises (including the Fund) from the trading of PRC-incorporated ETFs (including the Underlying Fund) via Stock Connect are exempt from VAT.

C. Stamp Duty ("SD")

SD generally applies to the execution and receipt of dutiable documents listed in the PRC SD Law which took effective on 1 July 2022.

Currently, SD is not imposed on the purchase or sale of PRC-incorporated ETFs (including the Underlying Fund) traded in the PRC.

PRC Tax Provisions

We have our own discretion on whether to make tax provision on the investment income derived by the Fund in accordance with tax regulations, local tax practice, and professional and independent advice.

We reserve the right to change the PRC tax provision policy in response to changes in PRC tax law and practices and expiration of temporary tax exemption. We will review the tax provisions policy of the Fund, and it may in future change the tax provisions policy, including making provisions to reflect taxes payable when considered appropriate. Investors should note this may have a substantial negative impact on the Net Asset Value of the Fund.

Holders may be disadvantaged depending upon the final tax liabilities, the level of provision and when they subscribed and/or redeemed their Units. If no provision is made by us in relation to all or part of the actual tax levied in future, investors should note that the Net Asset Value of the Fund may be lowered, as the Fund will ultimately have to bear the full amount of tax liabilities. In this case, the additional tax liabilities will only impact Units in issue at the relevant time, and the existing Holders and subsequent Holders will be disadvantaged, as such Holders will bear, through the Fund, a disproportionately higher amount of tax liabilities as compared to those borne at the time of investment in the Fund. On the other hand, in case tax provisions are made, and the actual tax liabilities are lower than such tax provisions, those persons who have already redeemed their Units before the actual tax liabilities are determined will not be entitled or have any right to claim any part of such overprovision.

44. MISCELLANEOUS INFORMATION

44.1 Inspection of Documents

Copies of the following documents are available for inspection free of charge at our registered office during usual business hours on each Business Day:-

- Trust Deed;
- Depository Agreement;
- a sample Participation Agreement; and

- the most recent annual report and accounts of the Fund and the most recent semi-annual report and unaudited semi-annual accounts of the Fund (once available).

44.2 Online Publication of Dealing Prices

The Net Asset Value per Unit of the Fund will be published on our website at www.lionglobalinvestors.com on the Business Day following each Dealing Day. The Net Asset Value per Unit of the Fund will be announced on the SGXNET at the end of each week.

The following information relating to the Fund will be published:-

- the indicative last Net Asset Value per Unit of the SGD Class Units in Chinese offshore RMB (CNH); and
- the last Net Asset Value per Unit of the SGD Class Units in Singapore dollars (S$) only.

The last Net Asset Value per Unit of the SGD Class Units in CNH is indicative and for reference purposes only and is calculated using the last Net Asset Value per Unit of the SGD Class Units in S$ converted into CNH, using the exchange rates quoted by Reuters at 3.00 p.m. (Hong Kong time) as of the same Dealing Day.

44.3 Information on the Internet

We will publish information with respect to the Fund on our website at www.lionglobalinvestors.com and on SGXNET including:

- this Prospectus and the Product Highlights Sheet (as may be updated, replaced or supplemented from time to time);
- the latest available annual and semi-annual financial reports of the Fund (once available);
- our removal or retirement as manager of the Fund (if any);
- any public announcements made by the Fund, including information with regard to the Index, notices of the suspension of the calculation of the Net Asset Value, changes in fees and the suspension and resumption of trading, changes in the Participating Dealer(s);
- monthly holdings, the closing Net Asset Value and Net Asset Value per Unit and monthly fund performance information; and
- any material events relating to the management of the Fund.

44.4 Anti-Money Laundering Regulations

We or the Trustee may take any action which we or the Trustee consider, in our or the Trustee's sole and absolute discretion, appropriate so as to comply with (a) any law, regulation or request of a public or regulatory authority, and/or (b) any group policy of ours or the Trustee which relate to the prevention of fraud, money laundering, terrorism, tax evasion, evasion of economic or trade sanctions or other criminal activities or (only in respect of the Manager) the provision of financial and other services to any persons or entities which may be subject to sanctions (collectively the "**Relevant Requirements**").

Neither we nor the Trustee will be liable for any delay to process your transactions or loss (whether direct or consequential) or damage suffered by any party arising out of or caused in whole or in part by any actions taken by us or the Trustee to comply with the Relevant Requirements.

Please refer to the Trust Deed for further information on our and the Trustee's compliance with anti-money laundering and anti-terrorism laws and regulations.

As part of our responsibility and the Trustee's responsibility for the prevention of money laundering and countering the financing of terrorism and to comply with all applicable laws, regulations, notices, codes and guidelines to which we, the Trustee or the Fund are subject, we, the Registrar, the Trustee, the Custodian and/or our appointed representatives, agents and/or

service providers (including but not limited to the Participating Dealers and the Central Depository (Pte) Limited) may require a detailed verification of your identity and the source of payment of any subscriptions.

You consent to the collection, use and storage of any of your Personal Information and Account Information by us, the Registrar, the Trustee, the Custodian and/or our appointed representatives, agents and/or service providers (including but not limited to the Participating Dealers and the Central Depository (Pte) Limited) by any means necessary for us and/or the Registrar, the Trustee, the Custodian and/or our appointed representatives, agents and/or service providers to comply with the prevention of money laundering and countering the financing of terrorism and all applicable laws, regulations, notices, codes and guidelines to which we, the Trustee or the Fund are subject.

44.5 Liquidity Risk Management

As this is an ETF with Designated Market Makers and which invests in publicly-listed securities, it is envisaged that there is sufficient liquidity in the market to meet relatively large subscription/redemption requests. Investors should note the conditions for trading in Units on the SGX-ST as listed in paragraph 13, and bear in mind the liquidity of the Fund is also subject to the various conditions listed in paragraph 19.

We have established liquidity risk management policies which enable us to identify, monitor, and manage the liquidity risks of the Fund. Such policies, combined with the liquidity management tools available, seek to achieve fair treatment of Holders, and safeguard the interest of remaining Holders against the redemption behaviour of other investors and mitigate systemic risk.

Our liquidity risk management policies take into account the Fund's liquidity terms, asset class, liquidity tools and regulatory requirements.

The liquidity risk management tools available to manage liquidity risk include the following:

(a) the Fund may, subject to the provisions of the Trust Deed, borrow up to 10% of its latest available Net Asset Value (or such other percentage as may be prescribed by the Code) at the time the borrowing is incurred and the borrowing period should not exceed one month, provided always and subject to the borrowing restrictions in the Code; and

(b) we may, pursuant to the Trust Deed, suspend the realisation of Units of the Fund or any Class, with the prior notification to the Trustee.

We may perform regular stress testing on the Fund. Factors considered in stress tests (either independently or concurrently) include, amongst others, worsening of market liquidity for the underlying assets of the Fund. Our stress testing scenarios consider historical situations and forward-looking hypothetical scenarios, where appropriate. The reasonableness and relevance of our stress test assumptions are regularly reviewed to ensure that stress tests are based on reliable and up-to-date information.

44.6 Liquidation of the Manager, the Trustee or the Custodian

Subject to the provisions of the Trust Deed, if the Manager or the Trustee go into liquidation (except for a voluntary liquidation for the purpose of reconstruction or amalgamation), a new manager or a new trustee (as the case may be) may be appointed or the Fund may be terminated. Please refer to Clauses 29.1, 29.5 and 32.1 of the Trust Deed for further details.

In the event the Custodian becomes insolvent, the Trustee may by notice in writing, terminate the Custodian Agreement entered into with the Custodian and, in accordance with the Trust Deed, appoint such person as the new custodian to provide custodial services to the Fund globally.

44.7 Queries and Complaints

If you have questions concerning the Fund, you may call us at telephone number (65) 6417 6900. You can also email us at contactus@lionglobalinvestors.com.

APPENDIX I – CSI DIVIDEND INDEX

This Appendix sets out the details of the CSI Dividend Index.

As at 2 January 2025, the top 10 largest constituent securities of the CSI Dividend Index are:-

No	Index Security	Weighting (%)
1	COSCO SHIPPING Holdings Co., Ltd.	2.61
2	Jizhong Energy Resources Co Ltd	2.01
3	Heilan Home Co.,Ltd	1.66
4	Shanxi Coal International Energy Group Co., Ltd	1.50
5	Shanxi Coking Coal Energy Group Co.,Ltd.	1.49
6	Shanxi Lu'an Environmental Energy Development Co Ltd	1.46
7	Anhui Hengyuan Coal Industry and Electricity Power Co Ltd	1.38
8	Chongqing Department Store Co Ltd	1.34
9	China Shenhua Energy Co Ltd	1.34
10	Youngor Group Co Ltd	1.32

Source: China Securities Index Co., Ltd.

(i) Description of the Index

The Index is compiled and calculated by China Securities Index Co., Ltd. ("**Index Provider**").

The Index comprises 100 Shanghai-listed or Shenzhen-listed A shares with (i) high cash dividend yields, (ii) stable dividends and (iii) a certain scale and liquidity, weighted based on their dividend yields to reflect the overall performance of the high-dividend stocks in the A-share market.

We have been granted a licence by the Index Provider to use the Index

(ii) Index methodology

1. Applicable Universe

The Index is constructed from the Parent Index, which is comprised of 4,933 securities in the SHSE, SZSE or Beijing Stock Exchange (BSE) which are (i) Non-ST (defined below) and non-*ST (defined below); and (ii) listed on the STAR Market for more than one year or listed on the BSE for more than two years; or (iii) if listed on a market other than STAR Market and BSE, be listed for more than one quarter, unless the security ranks in the top 30 in terms of average daily market capitalisation since its listing. The Parent Index is highly representative of the PRC market and reflects the price performance of listed securities in the SHSE, SZSE or BSE.

Non-ST stocks refer to companies that do not have any "Special Treatment" label. These stocks are considered to meet the regulatory requirements of the SHSE, SZSE or BSE (as applicable) and are deemed to have financial stability or at least not under any immediate financial distress as defined by the SHSE, SZSE or BSE (as applicable).

*ST stocks are a more severe category within the ST (Special Treatment) designation. The asterisk indicates that the company is facing serious financial problems and is at greater risk of being delisted compared to a regular ST stock.

To qualify for inclusion in the universe of the Index, securities in the Parent Index must (i) be amongst the top 80% in terms of average daily total market capitalisation in the past 1 year; (ii) be amongst the top 80% in terms of average daily trading value in the past 1 year; and (iii) have continuously paid cash dividends over the past three years and the average payout ratio in the past three years and the payout ratio in the last year are both

between 0 and 1. The payout ratio is calculated by dividing the total dividend payout over the preceding year by the annual net profit attributable to the parent company, including special dividends. The Index does not currently include BSE-listed securities as none of the BSE-listed securities meet the criteria for inclusion in the Index.

2. Security Selection

Securities are selected based on the steps set out below in (1) Screening and (2) Ranking.

3. Security Weighting

The selected Index constituents are assigned weights based on dividend yield. The weight of each Index constituent is capped at 10% and the weight of each Index constituent with a total market value of less than 10 billion yuan is capped at 0.5%.

4. Index Review

The Index is adjusted and rebalanced annually in December. The Index reviews will be performed using data as at the last Index Business Day of October.

Results from an Index review are effective on the next Index Business Day immediately following the 2nd Friday in December.

The Index review process follows the steps below in sequence:-

(1) Screening

All securities comprising the Parent Index, including existing Index constituents, are screened based on the following criteria:

- the cash dividend yield for the previous year must be higher than 0.5%;
- must be ranked within the top 90% in terms of average daily total market capitalisation in the previous year;
- must be ranked within the top 90% in terms of average daily trading value in the previous year; and
- the average payout ratio in the past three years must be between 0 and 1.

(2) Ranking

Securities which have passed the above screening are ranked based on their average dividend yield over the past 3 years.

The 100 highest ranked securities are selected to form the Index.

The turnover rate of existing Index constituents is not expected to exceed 20% at each Index review, unless more than 20% of existing Index constituents are removed due to their cash dividend yield for the previous year falling below 0.5%.

(3) Weighting and Capping

Weights are assigned to each Index constituent, at each rebalancing date, based on dividend yield. The weight of each Index constituent is capped at 10% and the weight of each Index constituent with a total market value of less than 10 billion yuan is capped at 0.5%. The assigned weight of each Index constituent will remain until the next rebalancing date.

The Index may be reviewed in between the annual rebalancing dates upon the occurrence of special events. Special events include but are not limited to, corporate events such as mergers and acquisitions, spin-offs, suspensions, risk warnings, delistings, bankruptcies, and other situations such as fast entries, industry classification changes, adjustments to the Stock Connect list, Environmental, Social and Governance ("**ESG**") rating changes, etc.

Delisted securities will be removed from the list of Index constituents as soon as possible.

(iii) Index publication

On any Index Business Day, the Index is disseminated real-time every 5 seconds during trading hours of the Relevant Exchanges.

The description of the Index methodology and the latest information relating to the Index is available at https://www.csindex.com.cn/zh-CN/indices/index-detail/H11078#/indices/family/detail?indexCode=000922.

The information presented in Appendix I has been provided by the Index Provider and/or extracted from publicly available information that has not been prepared or independently verified by us, the Trustee or advisers in connection with the offering and listing of Units and none of us makes any representations as to, or takes any responsibility for, the accuracy, adequacy, timeliness or completeness of such information contained in Appendix I. Any liability for errors or omissions in Appendix I, or for any action taken in reliance on the information contained herein is hereby expressly disclaimed. No warranty of any kind, implied, express or statutory, including but not limited to the warranties of non-infringement of third party rights, title, merchantability, satisfactory quality or fitness for a particular purpose, is given in conjunction with Appendix I or any information contained herein.

APPENDIX II – CHINA MERCHANTS CSI DIVIDEND ETF

The information on China Merchants CSI Dividend ETF (the "**Underlying Fund**") below has been extracted from public sources and/or the Underlying Fund's prospectus and is subject to change over time. Investors in the Lion-China Merchants CSI Dividend Index ETF (the "**Fund**") will only own units in the Fund and do not own any shares/units/interest in the Underlying Fund itself.

1. Basic Information

1.1 China Merchants CSI Dividend ETF

The Underlying Fund is traded on the Shanghai Stock Exchange ("**SHSE**") with stock code 515080. The Underlying Fund mainly invests in securities which are for the time being constituent securities of the Index ("**Index Securities**"). The Underlying Fund is domiciled in China and is regulated by the CSRC. The manager of the Underlying Fund is China Merchants Fund Management Co., Ltd. (the "**Underlying Fund Manager**"). The size of the Underlying Fund is RMB 4,986,808,660.32 as of 31 October 2024.

1.2 Date of Underlying Fund Prospectus and Expiry Date of Underlying Fund Prospectus

The CSRC approved the Underlying Fund Prospectus on 29 July 2019. The Underlying Fund Prospectus was updated as of 25 April 2024. The Underlying Fund Manager is required to update the Underlying Fund Prospectus and publish it on the designated websites within 3 working days if there are substantial changes to the information set out in the Underlying Fund Prospectus; and at least once a year if there are changes to other information set out in the Underlying Fund Prospectus.

1.3 Underlying Fund Contract

The Underlying Fund was constituted by way of an Underlying Fund Contract dated 28 November 2019. The parties to the Underlying Fund Contract include the Underlying Fund Manager, Shanghai Pudong Development Bank Co., Ltd (the "**Underlying Fund Custodian**") and Underlying Fund unit holders.

1.4 Accounts and Reports

The Underlying Fund Manager shall prepare the Underlying Fund's annual report within three months from the end of each year, and publish the annual report through such internet websites stipulated in the Measures for Information Disclosures ("**specified websites**"), and the indicative announcement of the annual report through such national newspapers that meet the requirements specified by the CSRC ("**specified newspapers**"). The financial accounting report in the annual report of the Underlying Fund shall be audited by an accounting firm that complies with the provisions of the Securities Law of the People's Republic of China.

The Underlying Fund Manager shall prepare the Underlying Fund's interim report within two months from the end of first half year, and publish the interim report on the specified websites, and publish a summary of the interim report in the specified newspapers.

The Underlying Fund Manager shall prepare the Underlying Fund's quarterly report within 15 working days from the end of the quarter, and publish the quarterly report on the specified websites, and the indicative announcement of the quarterly report in the specified newspapers.

2. Management

2.1 The Underlying Fund Manager

The Underlying Fund Manager is China Merchants Fund Management Co., Ltd, situated at 7088 Shennan Boulevard, Futian District, Shenzhen, Guangdong Province, People's Republic of China. The Underlying Fund Manager is incorporated in the People's Republic of China and its date of establishment is 27 December 2002. The approving authority of the Underlying Fund Manager is the CSRC for its activities in managing collective investment schemes in the PRC, and the approval document number is CSRC Zheng Jian Ji Jin Zi [2002] No. 100. The registered capital of the Underlying Fund Manager is RMB 1,310,000,000.

As of 30 June 2024, the consolidated assets under management of the Underlying Fund Manager was RMB 1.6 trillion. The Underlying Fund Manager has been managing collective investment schemes or discretionary funds since 28 April 2003.

The Underlying Fund Manager will remain as the manager of the Underlying Fund until it retires or is removed or replaced in accordance with the provisions of the Underlying Fund Contract.

2.2 Directors of the Underlying Fund Manager

The directors of the Underlying Fund Manager are as follows:

Wang Xiaoqing

Mr Wang has a PhD in Economics from Fudan University. He worked for the Haian Sub-branch of the Agricultural Bank of China in Jiangsu Province from July 1992 to September 1994. He worked in the Fund Management Department of Haitong Securities Co., Ltd. from July 1997 to May 1998. He worked in the Shanghai Commissioner Office of the CSRC from May 1998 to April 2004. He worked for Tianyi Securities Co., Ltd. from April 2004 to April 2005. From April 2005 to August 2007, Mr. Wang served successively as Deputy General Manager of the Risk Management Department & Deputy General Manager of the Portfolio Management Department, Deputy General Manager of the Portfolio Management Department, and General Manager of the Portfolio Management Department of PICC Asset Management Company Limited. He served successively as Assistant President, Vice President, Party Committee Member, Deputy Party Committee Secretary, and Chairman of the Investment Committee of PICC Asset Management Company Limited from August 2007 to March 2020.

In March 2020, Mr. Wang joined China Merchants Fund Management Co., Ltd. and served successively as Party Committee Secretary, Director, General Manager, and Chairman of the company. He concurrently served as Chairman of CIGNA & CMB Life Insurance Company Limited from September 2021. He served as Assistant President of China Merchants Bank from October 2021 to July 2023. From November 2021, Mr. Wang concurrently served as Chairman of CIGNA & CMB Asset Management Company Limited. He served as Party Committee Member of China Merchants Bank from January 2023. He concurrently served as Party Committee Secretary and President of the Shenzhen Branch of China Merchants Bank from February 2023. From July 2023, Mr. Wang served as Vice President of China Merchants Bank. He now serves as Party Committee Secretary and Chairman of the Underlying Fund Manager.

Li Li

Ms Li Li has a Master's degree in World Economics from Peking University. She joined China Merchants Bank in July 1994 and served as Deputy Director of the Statistical Information Center of the Head Office, Deputy General Manager of the Planning and Finance Department, Deputy General Manager of the Asset and Liability Management Department, Deputy General Manager of the Comprehensive Risk Management Office & General Manager of the Operational Risk Management Department, Deputy General Manager of the Risk Management Department, Deputy General Manager of the Finance and Accounting Department, General Manager of the Finance and Accounting Department, and concurrently as General Manager of the Purchase Management Department, etc. From November 2023, Ms. Li served as General Manager of the Asset and Liability Management Department of the Head Office of China Merchants Bank, and concurrently as Director of CMB Wing Lung Bank Limited, Director of CMB Financial Leasing Co., Ltd., Director of CMB International Capital Holdings Corporation Limited, and Director of CMB International Capital Corporation Limited. She now serves as Director of the Underlying Fund Manager.

Miao Xinqiong

Mr Miao has a Master's degree in Finance from Wuhan University. He joined China Merchants Securities Co., Ltd. in July 2004 and served as Head of Lan'ao Road Securities Business Office in Jimo, Qingdao, Deputy General Manager of Yitian Road Duty Free Business Building Securities Business Office, Shenzhen, Head of Shennan Boulevard Chegongmiao Securities Business Office in Shenzhen, and Head of the Institutional Business Department, Wealth Management and Institutional Business Segment. Since December 2022, Mr. Miao has served as Head of the

Wealth Management Department of the Wealth Management and Institutional Business Segment of China Merchants Securities Co., Ltd.. He now serves as Director of the Underlying Fund Manager.

Xu Yong

Mr Xu has a PhD in Law from Fudan University. He worked for Shanghai Iron and Steel Transportation Limited Corporation from July 1990 to September 1992. He worked in the General Office of the Shanghai Municipal People's Government from April 1998 to March 2009. From March 2009 to March 2014, Mr. Xu served successively as Party Committee Member and Deputy Secretary of the Central Commission for Discipline Inspection (CCDI) of China Pacific Life Insurance Co., Ltd., and as Party Committee Secretary, Deputy General Manager, and General Manager of the Shanghai Branch. He served successively as Deputy Leader of the Preparatory Group, Party Committee Member, and Deputy General Manager of CPIC Allianz Health Insurance Co., Ltd. from March 2014 to July 2015. From July 2015 to May 2022, Mr. Xu served successively as Party Committee Member, Deputy General Manager, Executive Deputy General Manager, Deputy General Manager (in charge of work), Deputy Party Committee Secretary, and General Manager of Changjiang Pension Insurance Co., Ltd.

He joined China Merchants Fund Management Co., Ltd. in June 2022 and currently serves as Deputy Party Committee Secretary, Director, and General Manager of the Underlying Fund Manager.

Zhang Sining

Ms Zhang has a PhD in Finance from the Research Institute of the People's Bank of China. She served successively as a teaching assistant and lecturer in the Department of International Finance at China School of Banking and Finance from August 1989 to November 1992. From November 1992 to June 2012, Ms. Zhang served successively as Deputy Division Director, Division Director, and Deputy Director of the Department of Public Offering Supervision at the CSRC, Deputy Director and Deputy Director of Main Branch of the Department of Listed Company Supervision at the CSRC, and Director of the Department of GEM Public Offering Supervision at the CSRC. She served as Party Committee Secretary and Director of the Shanghai Securities Regulatory Bureau from June 2012 to June 2014. She served successively as Director of the Department for Innovative Business Supervision at the CSRC and Director of the Anti-Illegal Financial Activities Bureau from June 2014 to April 2017. From May 2017, Ms. Zhang served as Chairwoman of E-Capital Transfer Co., Ltd. She now concurrently serves as External Director of Bailian (Group) Co., Ltd. She now serves as Independent Director of the Underlying Fund Manager.

Chen Hongmin

Mr Chen has a PhD in Engineering from Shanghai Jiao Tong University. He served as teacher at the Staff College of Shanghai New Union Textra Import and Export Co., Ltd. from September 1982 to September 1985. In March 1991, he joined the Antai College of Economics and Management at Shanghai Jiao Tong University and served successively as lecturer, associate professor, professor, department director, institute director, and vice president. Mr. Chen conducted postdoctoral research at the University of British Columbia, Canada from April 1993 to June 1994. He concurrently served as Independent Director of Morgan Stanley Huaxin Fund Management Co., Ltd. from February 2009 to March 2015. He worked as a professor at the Antai College of Economics and Management at Shanghai Jiao Tong University from December 1994. Currently, he serves as Deputy Dean of the Institute of Industry Research at Shanghai Jiao Tong University, Vice Chairman of the Society of Management Science of China, Counselor of the Shanghai Municipal People's Government, Editor-in-Chief of the Journal of Systems & Management, and Independent Director of Wave Cyber (Shanghai) Co., Ltd. He now serves as Independent Director of the Underlying Fund Manager.

Liang Shangkun

Mr Liang has a PhD in Accounting from Nanjing University. He has been working at the Central University of Finance and Economics since July 2013. He once served as lecturer, associate professor, and professor. Currently, Mr. Liang serves as Dean of the School of Accountancy at

the Central University of Finance and Economics, and concurrently as Independent Director of BioRegen Biomedical (Changzhou) Co., Ltd., Independent Director of Shanghai Tongda Venture Capital Co., Ltd., and Independent Director of Beijing Wiseda Technology Co., Ltd. He now serves as Independent Director of the Underlying Fund Manager.

2.3 Underlying Fund Portfolio Managers

Mr Wang Ping

Mr Wang has a Master's degree in Management from Central South University, FRM certification. He joined the Underlying Fund Manager in 2006. He once served as Assistant Quantitative Analyst of the Investment Risk Management Department, Quantitative Analyst of the Risk Management Department, and Senior Risk Control Manager and was mainly responsible for the company's investment risk management, financial engineering research, etc.

He currently works as Director of the Quantitative Investment Department and a fund portfolio of CMF Quantity Select Eq A (since March 15, 2016). Mr Wang became the portfolio manager of China Merchants Quantitative Selected Equity Initiating Fund since March 15, 2016, and was previously the portfolio manager of China Merchants SZSE 100 Index Fund from June 22, 2010 to December 3, 2016. Mr Wang has more than 14 years of fund management experience.

He is currently a portfolio manager of China Merchants CSI 300 Index Enhanced Securities Investment Fund (since February 10, 2017), China Merchants CSI 1000 Index Enhanced Fund (since March 3, 2017), China Merchants CSI Dividend Index ETF (since November 28, 2019), China Merchants CSI 500 Equal Weight Index Enhanced Fund (since December 23, 2020), China Merchants CSI Photovoltaic Industry index Fund (since June 18, 2021), China Merchants CSI Dividend Index ETF Feeder Fund (since February 23, 2022), China Merchants CSI 800 Index Enhanced Fund (since August 23, 2022), China Merchants CSI 1000 Enhanced Strategy ETF (since November 18, 2022), and China Merchants CSI 2000 Index Enhanced Fund (since January 2, 2024).

Mr. Liu Chongjie

Mr Liu has dual Bachelor's degrees in Economics and Sociology from Peking University. He once worked for Chengdu Economic Daily, Financial Data Center of the Southwestern University of Finance and Economics, and Nanjing University Jinling College. In July 2010, he joined Huaxi Futures Co., Ltd., and served successively as a senior researcher and department head of the Financial Engineering Department. In March 2014, he joined Southwest Securities Co., Ltd., and successively engaged in derivatives business, liquidation and disposal, strategy research, and investor education and training. He joined the Underlying Fund Manager in September 2017. Mr Liu became the portfolio manager of China Merchants SZSE 100 ETF since November 7, 2019 and was previously the portfolio manager of China Merchants SZSE TMT 50 ETF and China Merchants SZSE TMT 50 ETF Feeder Fund from May 5, 2018 to January 2, 2020. Mr Liu has more than 6 years of fund management experience.

He is currently a portfolio manager of China Merchants SZSE 100 ETF (since November 7, 2019), China Merchants CSI Dividend Index ETF (since November 28, 2019), China Merchants CNI Food and Beverage ETF (since January 25, 2021), China Merchants CSI Livestock Breeding ETF (since March 18, 2021), China Merchants CSI 300 Benchmark ESG ETF (since July 6, 2021), China Merchants CSI New Energy Vehicles Index Fund (since August 27, 2021), China Merchants CSI Internet of Things ETF (since December 15, 2021), China Merchants CSI Dividend Index ETF Feeder Fund (since February 23, 2022), China Merchants CSI Banks AH Price Select ETF (since March 17, 2022), China Merchants CSI Livestock Breeding ETF Feeder Fund (since April 19, 2022), China Merchants CSI 100 ETF (since August 18, 2022), China Merchants CSI Banks AH Price Select ETF Launched Feeder Fund (since December 28, 2022), China Merchants NASDAQ-100 ETF (QDII) (since April 12, 2023), China Merchants CSI Guoxin Central-SOEs Shareholder Return ETF (since May 24, 2023), China Merchants NASDAQ-100 ETF Launched Feeder Fund (QDII) (since November 29, 2023), and China Merchants CSI Guoxin Central-SOEs Shareholder Return ETF Launched Feeder Fund (since December 29, 2023).

3. The Underlying Fund Custodian

The Underlying Fund Custodian is Shanghai Pudong Development Bank Co., Ltd., incorporated in the People's Republic of China on 19 October 1992, situated at No. 12, Zhongshan Dongyi Road, Shanghai, People's Republic of China. The registered share capital of the Underlying Fund Custodian is RMB 29.352 billion.

The Underlying Fund Custodian has been engaged in asset custody since 2003 and is one of the earliest joint-stock commercial banks to provide bank asset custody services. It currently has six functional divisions: Securities Custody Division, Customer Asset Custody Division, Pension Service Division, Internal Control Management Division, Business Support Division, and Head Office Asset Custody Operation Center (including Hefei Branch). The Underlying Fund Custodian is regulated by the CSRC.

As of September 30, 2023, the Underlying Fund Custodian held a total of 419 securities investment funds amounting to RMB1,268.559 billion in custody.

The Underlying Fund Custodian will remain as custodian of the Underlying Fund until it retires or is removed or replaced in accordance with the provisions of the Underlying Fund Contract.

4. Other Parties

4.1 Underlying Fund Registrar

The Underlying Fund Registrar is China Securities Depository and Clearing Corporation Limited and its office address is No. 17 Taipingqiao Street, Xicheng District, Beijing, People's Republic of China.

The register of Underlying Fund unit holders shall at least include the names of the Underlying Fund unit holders and the Underlying Fund units they hold. The register of Underlying Fund unit holders shall be prepared and kept by the Underlying Fund Registrar at its office address as instructed by the Underlying Fund Manager. The period of retention with the Underlying Fund Registrar shall not be less than the minimum period prescribed by laws and regulations, unless otherwise stipulated by laws and regulations or otherwise required by competent authorities. If it cannot be properly kept, the party concerned shall be liable according to the relevant laws and regulations.

The Underlying Fund Registrar will remain as the registrar of the Underlying Fund until its appointment is terminated in accordance with the terms of its appointment.

4.2 Underlying Fund Auditors

The auditors of the Underlying Fund are Deloitte Touche Tohmatsu Certified Public Accountants LLP. The office address is at 30/F, The Bund Center, No. 222, Yan'an East Road, Shanghai, People's Republic of China.

4.3 Index Provider

The Index Provider of the Underlying Fund is China Securities Index Co., Ltd. ("**Index Provider**"). The Index Provider is not related to the Underlying Fund Manager. An index licensing agreement was signed between the Index Provider and the Underlying Fund Manager.

The Index Provider has authorised the Underlying Fund Manager to use the CSI Dividend Index for various purposes as stated in and subject to the conditions of the index licensing agreement entered into between the Index Provider and the Underlying Fund Manager, including using the CSI Dividend Index as the performance benchmark for the Underlying Fund.

The Underlying Fund is not sponsored, endorsed, sold or promoted by the Index Provider and the Index Provider makes no representation or warranty whatsoever, expressly or impliedly, to the issuer, owner, or any other person or entity of the Underlying Fund as to the desirability of investing in the Underlying Fund generally or in the Underlying Fund specifically, or as to the ability of the Index to track the performance of the corresponding stock market. The Index is determined, constructed and calculated by the Index Provider without regard to the Underlying Fund, or the issuer or owner of the Underlying Fund, or any other person or entity.

The Index Provider shall not be liable for any errors, omissions or interruptions in or relating to the Index or any data included therein. Further, the Index Provider makes no warranty of any kind, express or implied, with respect to the merchantability and fitness for a particular purpose of the Index and any data contained therein, and hereby expressly disclaims any warranty with respect thereto. Without limiting any of the foregoing, the Index Provider is not liable under any circumstances for any direct, indirect, special, punitive, consequential or any other damages (including lost profits), even if it has been advised of the possibility of such damages.

The Index

The Index comprises 100 Shanghai-listed or Shenzhen-listed A shares with (i) high cash dividend yields, (ii) stable dividends and (iii) a certain scale and liquidity, weighted based on their dividend yields to reflect the overall performance of the high-dividend stocks in the A-share market.

Index Construction

The applicable universe comprises the securities in the universe of the Parent Index. To qualify for inclusion in the universe of the Index, securities must (i) be amongst the top 80% in terms of average daily total market capitalisation in the past 1 year; (ii) be amongst the top 80% in terms of average daily trading value in the past 1 year; and (iii) have continuously paid cash dividends over the past three years and the average payout ratio in the past three years and the payout ratio in the last year are both between 0 and 1. The payout ratio is calculated by dividing the total dividend payout over the preceding year by the annual net profit attributable to the parent company, including special dividends.

The securities in the universe of the Index are ranked, in descending order, by average cash dividend yield over the past three years and the top 100 securities are included as constituents of the Index.

The Index is adjusted and rebalanced annually in December.

Calculation Times

On any Index Business Day, the Index is calculated on a real-time basis. The official closing value of the Index is calculated on an end-of-day basis.

5. Structure of the Underlying Fund

The Underlying Fund is traded on the SHSE and invests in Index Securities. The Underlying Fund is domiciled in China. The base currency of the Underlying Fund is RMB.

The Underlying Fund was listed on the SHSE on 27 December 2019.

6. Investment Considerations

6.1 Investment Objective

The investment objective of the Underlying Fund is to closely track the Index to minimize the tracking difference and tracking error. The Underlying Fund seeks to control the absolute value of the daily tracking difference within 0.2% and the annual tracking error within 2%.

6.2 Investment Focus and Approach

The Underlying Fund mainly invests in the constituent securities of the Index and alternative constituent securities.

To better achieve the investment objective of the Underlying Fund, the Underlying Fund can invest in non-constituent securities offered and listed domestically according to law (including stocks listed on the small and medium enterprise board or the growth enterprise market and other stocks and depositary receipts listed with the approval of the CSRC), bonds (including government bonds offered and listed domestically according to law, central bank bills, financial bonds, enterprise bonds, corporate bonds, medium-term notes, short-term financing paper, ultra-short-term financing paper, subordinated bonds, government-backed institution bonds, government-backed bonds, local government bonds, convertible bonds, exchangeable bonds and other bonds that can be invested in as permitted by the CSRC), money market instruments, interbank deposit

certificates, bond repos, asset-backed securities, bank deposits, stock index futures, stock options, government bond futures and other financial instruments the Underlying Fund is allowed to invest in by the laws and regulations or the CSRC (provided that the relevant rules of the CSRC must be complied with).

The Underlying Fund may participate in margin trading business and securities lending in refinancing business in accordance with the relevant laws and regulations and provisions of the Underlying Fund Contract.

The proportion of the Underlying Fund's portfolio is as follows: assets invested by the Underlying Fund in the constituent securities of the Index and alternative constituent securities shall account for no less than 90% of the NAV of the Underlying Fund and no less than 80% of the non-cash fund assets. At the end of each trading day, the Underlying Fund shall keep cash no less than one time the transaction deposits after excluding the transaction deposits required to be paid for government bond futures contracts, stock index futures contracts and stock options contracts. Specifically, cash does not include settlement provisions, deposits paid and subscription amount receivable, among others. The proportion of assets invested in stock index futures, stock options and government bond futures shall comply with the relevant laws and regulations or the rules of regulatory authorities.

In the event that the laws, regulations or regulatory authorities allow the Underlying Fund to invest in other categories in the future, the Underlying Fund Manager may expand the scope of investment accordingly after completing due formalities.

The Underlying Fund mainly adopts the full replication method. In other words, the Underlying Fund builds its equity investment portfolio in exact accordance with the combination of constituent securities of the Index and their weightings, and makes corresponding adjustments based on changes in the constituent securities of the Index and their weightings. However, if the Underlying Fund is unable to invest all its assets in the constituent securities of the Index due to special circumstances, the Underlying Fund Manager may adopt other index investing techniques, such as the constituent securities substitution strategy, to appropriately adjust its investment portfolio so as to achieve the objective of closely tracking the Index. Special circumstances include but are not limited to: (1) legal and regulatory restrictions; (2) significantly insufficient liquidity of the constituent securities of the Index; (3) trading in the constituent securities of the Index has been suspended for a long time; (4) a rights issue or a follow-on offering is underway with respect to the constituent securities of the Index; (5) cash dividends are being paid out with respect to the constituent securities of the Index; (6) the method for compiling the Index has changed; and (7) other valid reasons that may significantly restrict the Underlying Fund's ability to track the Index.

The Underlying Fund seeks to control the absolute value of the daily tracking difference within 0.2%, and the annual tracking error within 2%. If the tracking error exceeds the above-mentioned limit due to adjustments to the rules for compiling the Index or other factors, the Underlying Fund Manager shall take reasonable measures to avoid the further increase of the tracking error.

Other investment strategies of the Underlying Fund include:

Debt investment strategy

The Underlying Fund Manager will conduct reasonable interest rate expectations, judge the basic trend of the bond market, and develop asset allocation strategies with duration control based on an in-depth analysis of the macroeconomic conditions both at home and abroad and the impact of domestic fiscal policy and monetary policy and other factors on the bond market. During the course of constructing and managing the debt investment portfolio, the Underlying Fund Manager will select individual bonds by using management tools such as duration structure allocation, market switch, judgment on credit spread and relative value, credit risk evaluation and cash management, among others. The objective of the Underlying Fund's debt investment is to reduce the tracking error while ensuring the liquidity of the Underlying Fund's assets.

Investment strategy for asset-backed securities

The Underlying Fund will analyze the quality and composition of and the interest rate risk, credit risk, liquidity risk and early repayment risk associated with the underlying assets of the asset-backed securities, evaluate its relative investment value and make the corresponding investment decision based on its analysis of the macro economy and fundamentals. The Underlying Fund is permitted to invest in asset-backed securities with a credit rating of BBB and above.

Investment strategy for financial derivatives

In addition, to better achieve its investment objectives, the Underlying Fund may invest in stock index futures, stock options and other financial derivatives as permitted by the CSRC, such as government bond futures and other derivatives related to the Index, constituent securities of the Index or alternative constituent securities.

The Underlying Fund will mainly select liquid and tradable derivatives contracts for trading based on the principle of risk management.

Strategy for participating in the margin trading business and securities lending in refinancing business

To better achieve its investment objectives, the Underlying Fund may participate in the margin trading business and securities lending in refinancing business based on the needs of investment management, provided that it has strengthened efforts to guard against risks and complies with the principle of prudence. While participating in the margin trading business, the Underlying Fund will seek to exploit the leverage role of margin trading to reduce the tracking error resulting from the Underlying Fund's low positions due to subscription so as to achieve the objective of effectively tracking the Index. The maximum level of leverage permitted is 140%. While participating in securities lending in refinancing business, the Underlying Fund will reasonably determine the scope, duration and percentage of securities to be lent based on its analysis of market conditions, investor type and structure, the Underlying Fund's subscription and redemption history, liquidity of the securities to be lent and other factors. In case of changes in laws and regulations relating to the margin trading business and securities lending in refinancing business, the Underlying Fund will comply with the latest provisions to align with changes in the above-mentioned laws, regulations and regulatory requirements.

Investment strategy for depositary receipts

Given its investment objectives and equity investment strategy, the Underlying Fund will only invest in depositary receipts which are constituents of the Index, based on its in-depth research and judgment of the investment value of the underlying securities, provided that risks are under control.

Going forward, based on the development of the market and the requirements of the Underlying Fund's management and operation, the Underlying Fund Manager may correspondingly adjust or update its investment strategies after completing due formalities while complying with the provisions of laws and regulations, and make public such adjustments or updates in the updated prospectus, provided that the Underlying Fund's investment objectives remain unchanged.

6.3 Distribution Policy

The principles for the Underlying Fund profits distribution are as follows:

1. If the Underlying Fund Contract is effective for less than 3 months, profits distribution may not be conducted.

2. Each Underlying Fund unit shall enjoy an equal right to distribution.

3. For the Underlying Fund's on-exchange units, the profits of the Underlying Fund shall be distributed through cash dividends.

4. The Underlying Fund Manager may evaluate the Underlying Fund's excess yield relative to the Index on a quarterly basis. Profits distribution can be conducted if the growth rate of the Underlying Fund's NAV per unit as verified on the Underlying Fund's income evaluation date exceeds the growth rate of the Index during the same period by more than 1%.

5. The Underlying Fund conducts profits distribution based on the principle of bringing the growth rate of the Underlying Fund's NAV per unit as close as possible to the growth rate of the Index during the same period after the profits distribution. Given the nature and characteristics of the Underlying Fund, making up for floating losses is not a prerequisite for the Underlying Fund to distribute profits. The Underlying Fund's ex-dividend NAV per unit may be lower than its face value after the profits distribution.

6. If the laws and regulations or the regulatory authorities otherwise prescribe, such provisions shall apply. If the stock exchanges or the Underlying Fund's registrars otherwise prescribe profits distribution for on-exchange units, such provisions shall apply.

The Underlying Fund Manager may make adjustments to the above-mentioned fund profits distribution principles based on the specific circumstances as permitted by the laws and regulations, provided that there is no substantive negative impact on the interests of the Underlying Fund unit holders. Such adjustments do not require the convening of an Underlying Fund unit holders' meeting but shall be publicly disclosed on the designated media before the day of implementation of the changes.

As at 20 September 2024, the Underlying Fund has paid a total of 8 distributions to its investors.

7. Fees, Charges and Expenses

7.1 Fees and Charges Payable by the Underlying Fund

Underlying Fund Manager's fee	Currently 0.20% p.a. of the NAV of the Underlying Fund
Underlying Fund Custodian fee (charged by the Underlying Fund Custodian)	Currently 0.10% p.a. of the NAV of the Underlying Fund
Audit fees	89,000 RMB per annum
Disclosure fee	120,000 RMB per annum
Index royalties	0.03%, subject to a minimum amount of 140,000 RMB

8. Underlying Fund Valuation

The Underlying Fund shall be valued on every trading day of the stock exchanges relating to the Underlying Fund and a non-trading day on which the net asset value of the Underlying Fund is required to be disclosed in accordance with the laws and regulations of the PRC.

The net asset value per unit of the Underlying Fund is calculated by dividing the net asset value of the Underlying Fund by the outstanding balance of Underlying Fund units on the day after the market closes on each working day, and shall be accurate to RMB0.0001, with the fifth decimal place rounded up or down. The Underlying Fund Manager may set up a net asset value per unit accuracy emergency adjustment mechanism for substantial redemption circumstances. If the PRC laws and regulations otherwise prescribe, such provisions shall apply.

The Underlying Fund Manager calculates the net asset value of the Underlying Fund and net asset value per unit of the Underlying Fund on each working day and publicly discloses the relevant information in accordance with the rules.

The Underlying Fund Manager shall conduct valuation of the Underlying Fund's assets on each working day, except under circumstances where the Underlying Fund Manager suspends valuation in accordance with the laws, regulations or provisions of the Underlying Fund Contract. The Underlying Fund Manager shall send the relevant information and results about the Underlying Fund's net asset value to the Underlying Fund Custodian after conducting valuation of

the Underlying Fund's assets on each working day. The Underlying Fund Manager shall publicly disclose the relevant information and results after they are verified by the Underlying Fund Custodian as correct.

The net asset value of the Underlying Fund will be available on the Underlying Fund Manager's website at www.cmfchina.com.

9. Replacement of Underlying Fund Manager

The replacement of the Underlying Fund Manager can only be approved through a special resolution. A special resolution can be approved only if approval is obtained from Underlying Fund unit holders representing more than 2/3 (inclusive) of the total voting rights or their proxies who attend the general meeting of the Underlying Fund unit holders.

10. Termination of the Underlying Fund Contract

The Underlying Fund Contract shall be terminated if:

1. The general meeting of the Underlying Fund's unit holders resolves to terminate it;
2. The duties of the Underlying Fund Manager or the Underlying Fund Custodian are terminated, and the post is not succeeded by a new underlying fund manager or underlying fund custodian within six months;
3. The benchmark index no longer meets the requirements of the "Index Fund Guidelines" (unless such non-compliance is due to factors other than changes in the index compilation methodology, e.g. fluctuations in the prices of Index constituents, and except for exceptions stipulated by laws, regulations, or regulatory authorities), or the Index Provider exits the market, and the Underlying Fund Manager convenes a general meeting of the Underlying Fund unit holders to vote on a resolution, but the general meeting of the Underlying Fund unit holders cannot be successfully convened, or the resolution on such matters is not approved;
4. Any other circumstances as set out in the Underlying Fund Contract; or
5. Another matter warranting termination of the Underlying Fund Contract as stipulated by the laws, regulations or the CSRC arises.

Procedures for liquidation of the Underlying Fund's assets:

1. In the event that any of the circumstances that warrant termination of the Underlying Fund Contract arise, the Underlying Fund's assets liquidation team shall take over the Underlying Fund in its entirety;
2. Sort out and verify the Underlying Fund's assets, claims, and debts;
3. Evaluate and realise the Underlying Fund's assets;
4. Prepare the liquidation report;
5. Engage an accounting firm to audit the liquidation report externally, and a law firm to issue legal opinion on the liquidation report;
6. Submit the liquidation report to the CSRC for filing and make an announcement; and
7. Allocate the remaining property of the Underlying Fund.

The liquidation period of the Underlying Fund's property is six months. However, the liquidation period will be extended, if the securities held by the Underlying Fund cannot be promptly realised due to impaired liquidity.

11. Taxation of the Underlying Fund

Taxpayers involved in the operations of the Underlying Fund shall bear their respective tax obligations in accordance with national tax laws and regulations. Taxes related to the Underlying Fund's investments shall be borne by the Underlying Fund unit holders, with the Underlying Fund Manager or other withholding agents responsible for withholding and remitting taxes in accordance with national tax regulations.

12. Borrowing and Securities Lending by the Underlying Fund

To better achieve the investment objectives of the Underlying Fund, the Underlying Fund may participate in securities lending in refinancing business in accordance with the relevant laws and regulations and provisions of the Underlying Fund Contract.

If the Underlying Fund participates in securities lending in refinancing business, the following requirements shall be met:

1. Assets participating in securities lending in refinancing business shall not exceed 30% of the NAV of the Underlying Fund. Specifically, securities lent out for a period of more than 10 trading days shall be regarded as securities with restricted liquidity as described in the rules for managing liquidity risk;

2. Any individual security participating in securities lending in refinancing business shall account for no more than 30% of the total amount of the said security held by the Underlying Fund;

3. Daily NAV of the Underlying Fund in the last 6 months shall be no less than RMB200 million;

4. The average remaining term of the securities lend out shall not exceed 30 days, and the average remaining term shall be calculated based on the weighted average market value; and

5. The combined market value of assets with restricted liquidity that the Underlying Fund has pro-actively invested in shall not exceed 15% of the NAV of the Underlying Fund.

13. List of investment funds managed by the Underlying Fund Manager (as of 31 October 2024)

No.	Name of funds
1	China Merchants Ruiqing Dynamic Allocation Hybrid Fund
2	China Merchants Anrong Dynamic Allocation Hybrid Fund
3	China Merchants Anyu Dynamic Allocation Hybrid Fund
4	China Merchants Zhaoxing 3 Month Regular Open Initiating Bond Fund
5	China Merchants Zengrong Dynamic Allocation Hybrid Fund(LOF)
6	China Merchants Anbo Dynamic Allocation Hybrid Fund
7	China Merchants Ruiyi Robust Configuration Hybrid Fund
8	China Merchants Zhaorui Pure Bond Initiating Fund
9	China Merchants Anyuan Dynamic Allocation Hybrid Fund
10	China Merchants Quantitative Selected Equity Initiating Fund
11	China Merchants Ande Dynamic Allocation Hybrid Fund
12	China Merchants Kangtai Dynamic Allocation Hybrid Fund
13	China Merchants Anhong Dynamic Allocation Hybrid Fund
14	China Merchants Jingyuan Dynamic Allocation Hybrid Fund
15	China Merchants Manufacturing Transformation Dynamic Allocation Hybrid Fund

No.	Name of funds
16	China Merchants Leisure Sports Culture Equity Fund
17	China Merchants Zhaohui 3 Months Regular Open Bond Initiating Fund
18	China Merchants Xingfu Dynamic Allocation Hybrid Fund
19	China Merchants Fengmei Dynamic Allocation Hybrid Fund
20	China Merchants Zhaoyi Pure Bond Fund
21	China Merchants Zhaoqian 3 Months Regular Open Bond Initiating Fund
22	China Merchants Zhaotong Pure Bond Fund
23	China Merchants Zhaokun Pure Bond Fund
24	China Merchants Fengkai Dynamic Allocation Hybrid Fund
25	China Merchants Deposit Express Money Market Fund
26	China Merchants Anrun Dynamic Allocation Hybrid Fund
27	China Merchants CCTV 50 Index Fund
28	China Merchants Financial 7 Days Bond Fund
29	China Merchants CSI Bulk Commodity Index Fund(LOF)
30	China Merchants Leading Enterprise Hybrid Fund
31	China Merchants Cash Enhancement Fund
32	China Merchants Anyi Dynamic Allocation Hybrid Fund
33	China Merchants State-Owned Enterprises Reform Theme Hybrid Fund
34	China Merchants Mobile Internet Industry Equity Fund
35	China Merchants Fengze Dynamic Allocation Hybrid Fund
36	China Merchants CNI BIOMEDICINE Index Fund
37	China Merchants CSI Liquor Index Fund
38	China Merchants CSI Banks Index Fund
39	China Merchants CSI Coal Equal Weight Index Fund
40	China Merchants Fengtai Dynamic Allocation Hybrid Fund(LOF)
41	China Merchants Double-Bonds Enhanced Bond Fund(LOF)
42	China Merchants Medical Health Industry Equity Fund
43	China Merchants CSI 300 Real Estate Equal Weight Index Fund
44	China Merchants CSI All Share Investment Banking & Brokerage Index Fund
45	China Merchants Zhaoli One Months Financial Bond Fund
46	China Merchants Industry Select Equity Fund
47	China Merchants Zhao Jinbao Money Market Fund
48	China Merchants Lucky Treasure Money Market Fund
49	China Merchants Fengsheng Stable Growth Dynamic Allocation Hybrid Fund
50	China Merchants Ruifeng Dynamic Allocation Hybrid Initiating Fund
51	China Merchants Zhaoxiang Pure Bond Fund
52	China Merchants Zhaohua Pure Bond Fund
53	China Merchants Zhaojing Pure Bond Fund
54	China Merchants Zhaoxu Pure Bond Fund

No.	Name of funds
55	China Merchants Shenghe Dynamic Allocation Hybrid Fund
56	China Merchants Stable Select Equity Fund
57	China Merchants China Opportunities Equity Fund
58	China Merchants Zhaocaitong Financial Bond Fund
59	China Merchants Zhao Xibao Money Market Fund
60	China Merchants Fengtuo Dynamic Allocation Hybrid Fund
61	China Merchants CSI 1000 Index Enhanced Fund
62	China Merchants CSI 300 Index Enhanced Fund
63	China Merchants CSI 500 Index Enhanced Fund
64	China Merchants Shengxin Selected Three-Months Hold Period Hybrid Fund Of Funds(FOF)
65	China Merchants Zhaofeng Pure Bond Fund
66	China Merchants Zhaoshun Pure Bond Fund
67	China Merchants ZhaoXiang Pure Bond Fund
68	China Merchants Fengyi Dynamic Allocation Hybrid Fund
69	China Merchants Tianrun 3 Months Regular Open Bond Initiating Fund
70	China Merchants Fengyun Hybrid Fund
71	China Merchants Fengmao Dynamic Allocation Hybrid Initiating Fund
72	China Merchants Tianli Two-Year Regular Open Bond Fund
73	China Merchants MSCI China A Inclusion Index ETF Feeder Fund
74	China Merchants Heyue Goal Three Years Holding Period Hybrid Initiating Fund Of Funds(FOF)
75	China Merchants Tiande 3 Months Regular Open Bond Initiating Fund
76	China Merchants Jinhong Bond Fund
77	China Merchants Tianying Pure Bond Fund
78	China Merchants Anqing Bond Fund
79	China Merchants Ruizhi Selected Dynamic Allocation Hybrid Fund(LOF)
80	China Merchants Tianyun 3 Months Regular Open Bond Initiating Fund
81	China Merchants Ruili Dynamic Allocation Hybrid Fund LOF
82	China Merchants Tianrui 1 Year Regular Open Bond Fund
83	China Merchants Zhaohe 39 Months Regular Open Bond Fund
84	CMF Pusheng Global Allocation Fund (QDII)
85	CMF CSI Dividend Index ETF
86	CMF CSI 300 Index Enhanced Exchange Traded Fund
87	China Merchants Science And Technology Innovation Hybrid Fund
88	China Merchants Ruiwen Hybrid Fund
89	China Merchants SZSE 100 ETF
90	China Merchants Minan Zengyi Bond Fund
91	China Merchants Research Selected Equity Fund

No.	Name of funds
92	China Merchants Core Select Equity Fund
93	China Merchants Ruiyang Equity And Bond Allocation Hybrid Fund
94	China Merchants Xinfu Mid-Short Term Bond Fund
95	China Merchants SSE HK Equities ETF
96	China Merchants Tianhao Pure Bond Fund
97	China Merchants MSCI China A Inclusion Index ETF
98	China Merchants Anhua Bond Fund
99	China Merchants Tianhua Pure Bond Fund
100	China Merchants Fengying Active Allocation Hybrid Fund
101	China Merchants Tiansheng 78 Months Regular Open Bond Fund
102	China Merchants CHINEXT Large Cap Index ETF
103	China Merchants Innovation Growth Hybrid Fund
104	China Merchants CSI Cloud Computing & Big Data Index Exchange Traded Fund
105	China Merchants Technology Power 3 Months Rolling Hold Equity Fund
106	China Merchants Zenghao 1 Year Regular Open Hybrid Fund
107	China Merchants CSI Internet of Things Index Exchange Traded Fund
108	China Merchants Ruiheng One Year Hold Period Hybrid Fund
109	China Merchants Ruixin Stable Allocation Hybrid fund
110	China Merchants CSI 500 Equal Weight Index Enhanced Fund
111	China Merchants Prosperity Select Equity Fund
112	China Merchants Tianjin One-Year Regular Open Bond Initiating Fund
113	China Merchants Ruide One-Year Holding Period Hybrid Fund
114	China Merchants Anyang Bond Fund
115	China Merchants Growth Selected One-Year Regular Open Hybrid Initiating Fund
116	China Merchants Ruize One Year Hold Period Hybrid Fund
117	China Merchants CNI Food & Beverage Exchange Traded Fund
118	China Merchants Wenxing Hybrid Fund
119	China Merchants CSI Biotechnology Thematic ETF
120	China Merchants Chanyejingxuan Equity Fund
121	China Merchants Xinghe Selected 1 Year Holding Period Hybrid Fund
122	China Merchants CSI Hong Kong Technology Index Exchange Traded Fund QDII
123	China Merchants Ruile 6 Months Hold Period Hybrid Fund
124	China Merchants CSI Dividend ETF Feeder Fund
125	China Merchants Ruian One Year Holding Period Hybrid Fund
126	China Merchants Business Model Selected Hybrid fund
127	China Merchants Tianyi One-Year Regular Open Bond Initiating Fund
128	China Merchants Enterprises Selected Hybrid fund
129	China Merchants Quality Upgrade Hybrid Fund
130	China Merchants CSI Consumer Top Index Enhanced Fund

No.	Name of funds
131	China Merchants Frontier Medical Care Equity Fund
132	China Merchants Hehui Pension Goal Date 2040 3-Year Holding Period Hybrid Fund of Funds(FOF)
133	China Merchants Ruiying 9 Months Hold Period Hybrid Fund
134	China Merchants Financial Bond 3 Months Regular Open Bond Fund
135	China Merchants CSI Livestock Breeding Exchange Traded Fund
136	China Merchants Ruihe One Year Hold Period Hybrid Fund
137	China Merchants CSI Apparatus Index Exchange Traded Fund
138	China Merchants CSI Software Index Exchange Traded Fund
139	China Merchants HK Stock Connect Core Selection Equity Fund
140	China Merchants CSI New Energy Vehicles Index Fund
141	China Merchants Blue Chip Selected Equity Fund
142	China Merchants Quality Discovery Hybrid Fund
143	China Merchants Wenyu Short Term Bond 30 Days Holding Bond Fund
144	China Merchants CSI Photovoltaic Industry Index Fund
145	China Merchants CSI 300 ESG ETF
146	China Merchants Quality Growth Hybrid Fund
147	China Merchants Quality Life Hybrid Fund
148	China Merchants Ruihong Six Months Holding Period Hybrid Fund
149	China Merchants CSI Consumer Electronics Thematic Index Exchange Traded Fund
150	China Merchants Value Growth Mixed Fund
151	China Merchants Wenwang Hybrid Fund
152	China Merchants Jinan Growth And Selection Hybrid Fund
153	China Merchants Tiancheng One-Year Regular Open Bond Initiating Fund
154	China Merchants Xiangcheng Enhanced Bond Fund
155	China Merchants Stable Balanced Hybrid fund
156	China Merchants Wenle Mid-Short Term 90 Days Holding Period Bond Fund
157	China Merchants Ruitai 1 Year Holding Period Hybrid Fund
158	China Merchants CSI Banks AH Price Select Index Exchange Traded Fund
159	China Merchants CSI Battery Thematic Index Exchange Traded Fund
160	China Merchants CSI STAR&CHINEXT 50 Index Exchange Traded Funds
161	China Merchants Jingqijingxuan Equity Fund
162	China Merchants ChiNext Index Enhanced Fund
163	China Merchants Tianfu One-Year Regular Open Bond Fund
164	China Merchants CSI Global China Internet Index Exchange Traded Fund QDII
165	China Merchants CSI STAR&CHINEXT 50 Index ETF Feeder Fund
166	China Merchants Xiangli Enhanced Bond Fund
167	China Merchants Wenfu Short Term Forteen Days Rolling Holding Bond Initiating Fund
168	China Merchants Balanced Return Hybrid Fund

No.	Name of funds
169	China Merchants CSI SH-HK-SZ 500 Health Care Index Exchange Traded Fund
170	China Merchants CSI SH-HK-SZ Consumer Top Index Exchange Traded Fund
171	China Merchants Energy Transformation Hybrid Fund
172	China Merchants CSI Battery Thematic Index ETF Feeder Fund
173	China Merchants Wenheng Mid-Short Term 60 Days Holding Period Bond Fund
174	China Merchants Zhixing Stable Allocation Hybrid Fund of Funds(FOF)
175	China Merchants Ruixiang 1 Year Holding Period Hybrid Fund
176	China Merchants Tianan One-Year Regular Open Bond Fund
177	China Merchants Zhuanjingtexin Equity Fund
178	China Merchants Core Competence Hybrid Fund
179	China Merchants Anfu One-Year Regular Open Bond Initiating Fund
180	China Merchants CSI Livestock Breeding Feeder Fund
181	China Merchants Vision Growth Hybrid Fund
182	China Merchants Leader Growth Equity Fund
183	China Merchants High-End Equipment Hybrid Fund
184	China Merchants Anding Balance One Year Holding Period Hybrid Fund
185	China Merchants Core Equipment Hybrid Fund
186	China Merchants Yuhua Hybrid Fund
187	China Merchants Carbon-neutral Hybrid Fund
188	China Merchants Ruilian 1 Year Holding Period Hybrid Fund
189	China Merchants Ruicheng 1 Year Holding Period Hybrid Fund
190	China Merchants Anyue 1 Year Holding Period Bond Fund
191	China Merchants Tianxing 6 Months Regular Open Bond Fund
192	China Merchants Yutai Hybrid Fund
193	China Merchants CSI A100 Index Exchange Traded Fund
194	China Merchants CSI Interbank Cetificate of Deposit AAA Index 7 Days Holding Fund
195	China Merchants CSI Banks AH Price Select ETF Initiating Feeder Fund
196	China Merchants CSI Consumer Electronics Thematic Index ETF Feeder Fund
197	China Merchants Xincheng Short Term Bond Fund
198	China Merchants CSI SEEE Carbon Neutral Index Exchange Traded Fund
199	China Merchants CSI Treasury and Policy Bank Bond 0-3Y Index Exchange Traded Fund
200	China Merchants CSI Semiconductor Industry Index Exchange Traded Fund
201	China Merchants Anyi Stable Bond Fund
202	China Merchants CSI 800 Index Enhanced Fund
203	China Merchants Tianwen One-Year Regular Open Bond Initiating Fund
204	China Merchants Hehui Pension Goal Date 2045 5-Year Holding Period Hybrid Initiating Fund of Funds(FOF)
205	China Merchants Hengxin 30-Month Closed-End Bond Fund
206	China Merchants Anjia Bond Fund

No.	Name of funds
207	China Merchants CSI Vaccine and Biotechnology Index Exchange Traded Fund
208	China Merchants NASDAQ 100 Index Exchange Traded Fund(QDII)
209	China Merchants Xinli Mid-Short Term Bond Fund
210	China Merchants Balance Growth Hybrid Fund
211	China Merchants Zhian Stable Allocation 1 Year Holding Period Hybrid Fund of Funds(FOF)
212	China Merchants Hexiang Balance Pension Goal Three Year Holding Period Hybrid Fund of Funds(FOF)
213	China Merchants Leyihehui Pension Goal Date 2035 3-Year Holding Period Hybrid Initiating Fund of Funds(FOF)
214	China Merchants Xinjia Mid-Short Term Bond Fund
215	China Merchants Trend Navigation Hybrid Fund
216	China Merchants Tianxuan One-Year Regular Open Bond Fund
217	China Merchants Ankai Bond Fund
218	China Merchants CSI Nonferrous Metal Mining Index Exchange Traded Fund
219	China Merchants Industrial Upgrading1 Year Holding Period Hybrid Fund
220	China Merchants CSI 1000 Index Enhanced Exchange Traded Fund
221	China Merchants CSI 500 Index Enhanced Exchange Traded Fund
222	China Merchants Beijing Stock Exchange 50 Index Initiating Fund
223	China Merchants Tiantai One-Year Regular Open Bond Initiating Fund
224	China Merchants Anhe Bond Fund
225	China Merchants Ingenious Selection Hybrid Fund
226	China Merchants Ankang Bond Fund
227	China Merchants Social Responsibility Hybrid Fund
228	China Merchants CSI Apparatus ETF Initiating Feeder Fund
229	China Merchants CSI Guoxin Central-SOEs Shareholder Return Index Exchange Traded Fund
230	China Merchants CFETS Interbank Green Bond Index Fund
231	China Merchants SSE Science and Technology Innovation Board 50 Index Enhanced Exchange Traded Fund
232	China Merchants CNI 2000 Index Enhanced Fund
233	China Merchants CSI Software Index ETF Initiating Feeder Fund
234	China Merchants CSI Guoxin Central-SOEs Shareholder Return Index ETF Initiating Feeder Fund
235	China Merchants Anze Wenli 9 Months Holding Period Hybrid Fund
236	China Merchants NASDAQ 100 ETF Initiating Feeder Fund(QDII)
237	China Merchants Select Enterprises Hybrid fund
238	China Merchants Visionary Return Three-Year Regular Open Hybrid Fund
239	China Merchants CSI 2000 Index Enhanced Exchange Traded Fund
240	China Merchants Balanced Strategy Hybrid Fund

No.	Name of funds
241	China Merchants CSI Semiconductor Industry ETF Initiating Feeder Fund
242	China Merchants CSI 2000 Index Enhanced Fund
243	China Merchants CSI SEEE Carbon Neutral Index ETF Initiating Feeder Fund
244	China Merchants CSI Robot Index Initiating Fund
245	China Merchants ChinaBond 0-3 Year Policy Bank Bond Index Fund
246	China Merchants CSI Dividend Low Volatility 100 Index Initiating Fund
247	China Merchants Return Selected Hybrid Initiating Fund
248	China Merchants Growth Quantitative Select Equity Fund
249	China Merchants CSI Hong Kong Technology Index ETF Initiating Feeder Fund(QDII)
250	CMF CSI 300 Index Exchange Traded Fund
251	China Merchants Zhaoheng Pure Bond Fund
252	China Merchants Quality Growth Hybrid Fund(LOF)
253	China Merchants Chinabond 1-5 Years Export-Import Bank Bond Index Fund
254	China Merchants Antai Bond Fund
255	China Merchants Anda Dynamic Allocation Hybrid Fund
256	China Merchants Zhaowang Pure Bond Fund
257	China Merchants Industry Bond Fund
258	China Merchants Antai Partial Shares Hybrid Fund
259	China Merchants Anrui Aggressive Bond Fund
260	China Merchants Leading Industries Hybrid Fund
261	China Merchants Tianyu Pure Bond Fund
262	China Merchants Tianli 6 Months Regular Open Bond Initiating Fund
263	China Merchants Tianrong 3 Months Regular Open Bond Initiating Fund
264	China Merchants Heyue Stable Pension Goal One Year Holding Period Hybrid Fund of Funds(FOF)
265	China Merchants Mid&Small Cap Hybrid Fund
266	China Merchants Lucrative Income Dynamic Allocation Hybrid Fund
267	China Merchants Tianxu 3 Months Regular Open Bond Initiating Fund
268	China Merchants Antai Balanced Fund
269	China Merchants Large Cap Blue Chip Hybrid Fund
270	China Merchants Zhaohong 6 Months Regular Open Bond Initiating Fund
271	China Merchants Zhaoxin 3 Months Regular Open Bond Initiating Fund
272	China Merchants Regular Treasure Six Months Financial Bond Fund
273	China Merchants SSE Consumer 80 ETF Feeder Fund
274	China Merchants SZSE TMT 50 ETF
275	China Merchants Zhaoyue Pure Bond Fund
276	China Merchants Wealth Treasure Listed Money Market Fund
277	China Merchants Zhaoqi Pure Bond Fund
278	China Merchants Zhaocheng Half-Year Regular Open Bond Initiating Fund

No.	Name of funds
279	China Merchants Zhaoli One-Year Financial Bond Fund
280	China Merchants Anben Bond Fund
281	China Merchants Core Value Mixed Fund
282	China Merchants Credit Enhanced Bond Fund
283	China Merchants Hugangshen Technology Innovation Theme Select Dynamic Allocation Hybrid Fund
284	China Merchants Anxin Bond Fund
285	China Merchants Xinyue Mid-Short Term Bond Fund
286	China Merchants Tianyue Pure Bond Fund
287	China Merchants Credit Plus Bond Fund(LOF)
288	China Merchants Anying Bond Fund
289	China Merchants Xianfeng Mixed Fund
290	China Merchants SZSE 100 Index Fund
291	China Merchants Zhaosheng Pure Bond Fund
292	China Merchants Zhao Yibao Money Market Fund
293	China Merchants Zhaolibao Money Market Fund
294	China Merchants SSE Consumer 80 ETF
295	China Merchants SZSE TMT 50 ETF Feeder Fund
296	China Merchants Tianze Pure Bond Fund
297	China Merchants Tianqi 3 Months Regular Open Bond Initiating Fund
298	China Merchants Zhaofubao Money Market Fund
299	China Merchants Zhaoyu Pure Bond Fund
300	China Merchants Anning Bond Fund
301	China Merchants Fund China Merchants Expressway Expressway Closed REIT
302	China Merchants CSI A100 Index ETF Initiating Feeder Fund
303	China Merchants Fund China Merchants Shekou Rental Housing Closed REIT
304	CMF CSI A500 Index Exchange Traded Fund
305	China Merchants Aggressive Strategy Selected 3 Months Holding Period Hybrid Initiating Fund of Funds(FOF)
306	China Merchants CSI Cloud Computing & Big Data ETF Initiating Feeder Fund

APPENDIX III – LIST OF FUNDS MANAGED BY THE MANAGER

Fund Name
Country Equity Funds LionGlobal China Growth Fund LionGlobal India Fund LionGlobal Japan Fund LionGlobal Japan Growth Fund LionGlobal Korea Fund LionGlobal Malaysia Fund LionGlobal Singapore Trust Fund LionGlobal Taiwan Fund LionGlobal Thailand Fund LionGlobal Vietnam Fund LionGlobal Singapore Dividend Equity Fund
Regional Funds LionGlobal Asia Pacific Fund LionGlobal Singapore/Malaysia Fund LionGlobal South East Asia Fund LionGlobal Asia High Dividend Equity Fund
Global Fund LionGlobal Disruptive Innovation Fund
Balanced Funds LionGlobal Singapore Balanced Fund Lion-Bank of Singapore Asian Income Fund
Bond Funds LionGlobal Short Duration Bond Fund LionGlobal Asia Bond Fund LionGlobal Singapore Fixed Income Investment LionGlobal SGD Enhanced Liquidity Fund LionGlobal USD Enhanced Liquidity Fund Lion-BIBDS Islamic Enhanced Liquidity Fund LionGlobal SGD Liquidity Fund LionGlobal Singapore Investment Grade Bond Fund
Money Market Fund LionGlobal SGD Money Market Fund
Multi Asset Strategy Funds Lion-OCBC Global Core Fund (Growth) Lion-OCBC Global Core Fund (Moderate) LionGlobal All Seasons Fund (Standard) LionGlobal All Seasons Fund (Growth) Lion-OCBC Income Fund Lion-Bank of Singapore Asia Pac Real Estate Equities Fund Lion-Bank of Singapore Asia Pac Real Estate Opportunities Fund Lion-MariBank SavePlus Lion-Bank of Singapore CIO Supertrends Multi Asset Fund
Index Funds Infinity U.S. 500 Stock Index Fund Infinity European Stock Index Fund Infinity Global Stock Index Fund

Fund Name
<u>Exchange Traded Funds</u> Lion-Phillip S-REIT ETF Lion-OCBC Securities Hang Seng TECH ETF Lion-OCBC Securities China Leaders ETF Lion-OCBC Securities Singapore Low Carbon ETF Lion-Nomura Japan Active ETF (Powered by AI) Lion-OCBC Securities APAC Financial Dividend Plus ETF Lion-China Merchants Emerging Asia Select Index ETF

APPENDIX IV – LIST OF PRESENT AND PAST PRINCIPAL DIRECTORSHIPS OF DIRECTORS OVER THE LAST 5 YEARS

Current Directorships	Past Directorships of last 5 Years
Teo Joo Wah	
Lion Global Investors Limited	
Lion-OCBC Capital Asia I Holding Pte Ltd	
Lion-OCBC Capital Asia IIA Holding Pte Ltd	
LionGlobal Capital Partners Pte Ltd	
LionGlobal Capital Partners II Pte Ltd	
LionGlobal Investment Series VCC	
Ronnie Tan Yew Chye	
Lion Global Investors Limited	
Great Eastern International Private Limited	
The Great Eastern Trust Private Limited	
Global-Asia Insurance Partnership Limited	
Sunny Quek Ser Khieng	
Lion Global Investors Limited	
E2 Power Pte. Ltd.	
Network for Electronic Transfers (Singapore) Pte Ltd	
OCBC Securities Private Limited	
OCBC Investment Research Private Limited	
Tung Siew Hoong	
Lion Global Investors Limited	
Aldigi Holdings Pte. Ltd.	
The Great Eastern Life Assurance Company Limited	
Great Eastern General Insurance Limited	
Gregory Thomas Hingston	
Lion Global Investors Limited	HSBC Insurance (Asia Pacific) Holdings Limited
Great Eastern Financial Advisers Private Limited	HSBC Insurance (Asia) Limited
Great Eastern Life Assurance (Malaysia) Berhad	HSBC Life (International) Limited
Great Eastern General Insurance (Malaysia) Berhad	HSBC Brokers Greater China Limited
	Hang Seng Insurance Company Limited
	Canara HSBC Life Insurance Company Limited
	HSBC Broking Services (Asia) Limited
	HSBC Broking Forex (Asia) Limited
	HSBC Broking Futures (Asia) Limited
	HSBC Broking Securities (Asia) Limited
	HSBC Broking Securities (Hong Kong) Limited
	HSBC Insurance (Asia) Limited
	HSBC Life (International) Limited
	EPS Company (Hong Kong) Limited

LION GLOBAL INVESTORS LIMITED

BOARD OF DIRECTORS

PROSPECTUS OF LION-CHINA MERCHANTS CSI DIVIDEND INDEX ETF

Signed:

_____
Teo Joo Wah
CEO

Signed:

_____
Ronnie Tan Yew Chye
Director
(signed by Teo Joo Wah
for and on behalf of Ronnie Tan Yew Chye)

Signed:

_____
Sunny Quek Ser Khieng
Director
(Signed by Teo Joo Wah
for and on behalf of Sunny Quek Ser Khieng)

Signed:

_____

Tung Siew Hoong
Director
(Signed by Teo Joo Wah
for and on behalf of Tung Siew Hoong)

Signed:

_____

Gregory Thomas Hingston
Director
(signed by Teo Joo Wah
for and on behalf of Gregory Thomas Hingston)

Prepared on: 28/02/2025

This Product Highlights Sheet is an important document.

- **It highlights the key terms and risks of this investment product and complements the Prospectus[1].**
- **It is important to read the Prospectus before deciding whether to purchase the product. If you do not have a copy, please contact us to ask for one.**
- **You should not invest in the product if you do not understand it or if you are not comfortable with the accompanying risks.**
- **If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.**

LION-CHINA MERCHANTS CSI DIVIDEND INDEX ETF (the "Fund")

SGX counter name (SGX stock code)	SGD Class Units Lion-CM CSI Div S$ (primary currency) (S$) (stock code: INC) Lion-CM CSI Div CNH (secondary currency) (CNH) (stock code: ICH)	**SGX-ST Listing Date**	28 March 2025
Product Type	Exchange-Traded Fund The Units are Excluded Investment Products.	**Designated Market Makers**	Phillip Securities Pte Ltd
Manager	Lion Global Investors Limited	**Underlying Reference Asset**	CSI Dividend Index (the "**Index**")
Expense Ratio for FYE 31 December 2024	Not Available.	**Traded Currency**	SGD Class Units Primary Currency: S$ Secondary Currency: CNH
		Board Lot Size	1 Unit

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR? The Fund is only suitable for investors who: • seek an 'index-based' approach to investing in the high dividend yield listed companies of the China equities market; • seek investment results that track as closely as possible, before fees and expenses, the performance of the Index, by investing in units of the China Merchants CSI Dividend ETF (the "**Underlying Fund**"); and • are comfortable with the volatility and risks of an equity fund which seeks to invest all or substantially all of its Net Asset Value into the Underlying Fund. Please note your investment in the Fund is at risk and you may not get back the principal sum invested.	Further Information Refer to the "Key Information" section of the Prospectus for further information on product suitability.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN? You are investing in an Exchange Traded Fund constituted as a unit trust in Singapore that seeks to track as closely as possible, before fees and expenses, the performance of the Index, by investing in units of the Underlying Fund. The Index is compiled and calculated by China Securities Index Co., Ltd. (the "**Index Provider**"). The Index comprises 100 Shanghai-listed or Shenzhen-listed A shares with (i) high cash dividend yields, (ii) stable dividends and (iii) a certain scale and liquidity, weighted based on their dividend yields to reflect the overall performance of the high-dividend stocks in the A-share market. The Fund is a feeder fund and seeks to achieve its investment objective by investing all or substantially all of its Net Asset Value into the Underlying Fund directly and/or indirectly via the Stock Connect (i.e. through the SHSE on which the Underlying Fund is listed) and/or through any permissible means available to the Fund under prevailing laws and regulations. The Underlying Fund is an exchange traded fund listed on the SHSE that tracks the performance of the Index. The Fund will, as a Feeder Fund, invest all or substantially all of its Net Asset Value into the units of the Underlying Fund. You should note that the Fund has no ability to control the manner with which the Underlying Fund makes its investments and that the Underlying Fund may invest up to 10% of its Net Asset Value in non-constituent securities, as disclosed in the "Investment Policy of the Fund" section of the prospectus. There is no guarantee that the Fund's investment objective will be achieved. Distributions, if any, will be determined by us. We currently intend to declare annual distributions for the Fund in December.	Refer to the "Investment Objective", "Investment Policy of the Fund" and "Distribution Policy" sections of the Prospectus and Appendices I and II of the Prospectus for further information on the features of the product.

[1] The Prospectus is available for collection at Lion Global Investors Limited, 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513 from Monday to Friday (9am to 6pm) or website: www.lionglobalinvestors.com.

The base currency of the Fund is SGD and the Fund will issue Units denominated in SGD (for SGD Class Units). The Fund will not engage in securities lending or repurchase transactions.	
Investment Strategy	
The investment objective of the Underlying Fund is to closely track the Index to minimise the tracking difference and tracking error. The Underlying Fund mainly adopts a full replication strategy and invests in the constituent securities of the Index and alternative constituent securities. The Underlying Fund seeks to control the absolute value of the daily tracking difference within 0.2% and the annual tracking error within 2%. <u>Index Rebalancing</u> You should be aware that the constituent Index Securities and their respective weightings within the Index will be adjusted and rebalanced annually in December, using data from the last Index Business Day of October. Results from an Index review are effective on the next Index Business Day immediately following the 2nd Friday in December. The Underlying Fund Manager will rebalance the weightage of Index Securities held by the Underlying Fund.	Refer to the "Investment Policy of the Fund" section of the Prospectus for further information on the investment policy of the Fund. Refer to the "Index Rebalancing" section of the Prospectus for more information on index rebalancing.
Parties Involved	
WHO ARE YOU INVESTING WITH? • The Manager is Lion Global Investors Limited. • The Trustee is HSBC Institutional Trust Services (Singapore) Limited. • The Custodian is The Hongkong and Shanghai Banking Corporation Limited. • The Fund Administration Agent is HSBC Institutional Trust Services (Singapore) Limited. • The Registrar is HSBC Institutional Trust Services (Singapore) Limited. You may purchase or sell Units either through Participating Dealers (Primary Market) or through the SGX-ST (Secondary Market). All purchases or sales of Units through (i) the Participating Dealers; (ii) the ATM[2] or (iii) internet banking[2] (if applicable) must be in Application Unit size of 50,000 Units or such higher number of Units in multiples of 1,000[3] Units and are subject to such terms and conditions as may be imposed by the relevant Participating Dealer.	Refer to the "Key Information", "Management and Administration" and "Miscellaneous Information" sections of the Prospectus for further information on the role and responsibilities of these entities and what happens if they become insolvent.
KEY RISKS	
WHAT ARE THE KEY RISKS OF THIS INVESTMENT? **The value of the product and its distributions, if any, may rise or fall. These risk factors may cause you to lose some or all of your investment:**	Refer to the "Risk Factors" section of the Prospectus for further information on risks of the product.
Market and Credit Risks	
• **You are exposed to Market Risk.** o The price of Units and the income from them may go down as well as up. Investment in the Fund involves risks similar to those inherent in investing in any equity securities traded on an exchange, such as market fluctuations caused by factors like economic and political developments, changes in interest rates and foreign exchange. A significant decline in the value of the Index can therefore be expected to result in a similar decline in the Net Asset Value of the Units. • **You are exposed to Foreign Exchange Risk.** o As the securities invested into may be denominated in currencies other than SGD, any fluctuation in the exchange rate of such currencies (i.e. RMB) against the base currency of the Fund (i.e. SGD) may have an impact on the income of the Fund and affect the value of the Units. Currently, we do not intend to hedge the foreign currency exposure of the Fund.	

[2] Subscriptions for Units via the ATM and internet banking of participating banks are only available during the Initial Offer Period.

[3] During the Initial Offer Period, investors may approach us for more information on how to apply for Units through the Participating Dealers appointed by us. Application Unit size may be less than 50,000 and in multiples of 1 Unit during the Initial Offer Period.

Liquidity Risks	
• **The secondary market may be illiquid.** o You can sell your Units on the SGX-ST. However, you may not be able to find a buyer on the SGX-ST when you wish to sell your Units. While the Fund intends to appoint at least one market maker to assist in creating liquidity for investors, liquidity is not guaranteed and trading of Units on the SGX-ST may be suspended in certain situations. o If the Units are delisted from the SGX-ST or if the CDP is no longer able to act as the depository for the Units listed on the SGX-ST, the Fund may be terminated and Units will be redeemed in accordance with the termination provisions in the Trust Deed. • **Redemption through Participating Dealers.** o You can only redeem Units through Participating Dealers if you are a client of the relevant Participating Dealer, subject to such terms and conditions as may be imposed. A redemption application shall only be made or accepted in respect of Units constituting an Application Unit size of 50,000 Units or such higher number of Units in multiples of 1,000 Units. If you do not hold an Application Unit size, you may only realise the value of your Units by selling your Units on the SGX-ST.	
Product Specific Risks	
• **You are exposed to Single Region/Concentration Risk.** o The Fund is subject to concentration risk as a result of tracking the performance of a single country (i.e. PRC). Where the Fund invests in a single or a few select countries, it will be exposed to fluctuations in the economies of these countries which may affect the market price of its investments in these countries. Exposure to a single or limited number of countries also increases the potential volatility of the Fund due to the increased concentration risk as they are less diversified compared to exposure to global markets. • **You are exposed to Emerging Markets Risk.** o Securities of companies domiciled in emerging markets are less liquid and more volatile than those domiciled in more developed stock markets and this may result in greater price volatility. Emerging markets may not have fully developed custodian and settlement services and therefore investments in such markets are subject to a greater degree of risk. There may also be state regulations governing the outward remittance by foreign investors of their share of net profits and dividends and the repatriation of their investments in a foreign currency. • **You are exposed to Tracking Error Risk.** o Factors such as the investment strategies used by the Fund and the Underlying Fund, fees and expenses of the Fund and the Underlying Fund, the Underlying Fund's inability to hold the exact constituents of the Index, rounding of share prices, changes to the Index, transaction costs incurred by the Fund and costs to the Fund for complying with various new and existing regulatory policies may affect the Fund's ability to achieve close correlation with the performance of the Index. The Underlying Fund has a discretion to hold up to 10% of its assets in non-Index constituents, which may result in imperfect correlation between the Underlying Fund's assets and the Index Securities constituting the Index. The Fund will similarly be exposed to such imperfect correlation and there is no assurance that the Fund will be able to fully track the performance of the Index. Re-investing the cash dividends (if any) received for the equity holdings of the Fund is also done to keep the Fund's cash holdings to a low level that is operationally optimal while minimising tracking error. • **The Fund is not actively managed.** o The Fund is not actively managed. We do not attempt to select stocks individually in order to outperform the market or to take defensive positions in declining markets. The Fund may, however, through its investment in the Underlying Fund, be exposed to active management as the Underlying Fund Manager has a discretion to invest up to 10% of the Underlying Fund's assets in non-Index constituents to enable the Underlying Fund to better achieve its investment objectives.	Refer to the "Risk Factors" section of the Prospectus for further information on risks of the product. Please refer to Appendix II of the Prospectus for information on the investment approach and focus of the Underlying Fund.

- **You are exposed to China Market Risk.**
  - The Fund, through its investment in the Underlying Fund, invests in the China market and is subject to the relevant risks, including RMB distribution risks, PRC tax risks and RMB currency and conversion risks.
- **You are exposed to Feeder Risk.**
  - A Fund which invests all or substantially all of its assets into an underlying collective investment scheme is subject to the specific risks applicable to the collective investment scheme.
  - The rules of the SHSE-SGX ETF Link may change from time to time and may adversely affect the Fund's value, if it is unable to comply with the same. The performance of the Fund may deviate from the Underlying Fund's performance due to various factors as well as the Fund's fees and expenses.
- **You are exposed to Stock Connect risks.**
  - The Fund may invest through the Stock Connect and is subject to various risks relating to the Stock Connect, including quota limitations risk, suspension risk, differences in trading day, operational risk, etc.

FEES AND CHARGES

WHAT ARE THE FEES AND CHARGES FOR THIS INVESTMENT?

There are fees and charges payable by Participating Dealers (for Primary Market transactions) in respect of the Fund as set out in the Prospectus. Participating Dealers shall also bear all transaction costs, Duties and Charges and other expenses and charges which are subject to change from time to time without prior notice. For investors who have purchased or redeemed Units through Participating Dealers, the fees and charges paid by the Participating Dealers may be borne by investors in full or in part, depending on the relevant Participating Dealer.

Fees and Charges Payable by Investors Dealing in Units on the SGX-ST (Secondary Market)

Subscription/ Redemption fee	Nil
Brokerage	Market rates. You will have to bear brokerage fees charged by your stockbrokers.
Clearing fee and SGX access fee	Currently the clearing fee and SGX access fee for trading Units on the SGX-ST is at the rate of 0.0325% and 0.0075% of the traded value# and subject to the prevailing GST.

Subject to change at SGX-ST's discretion.

Fees and Charges Payable by the Fund

Manager's fee	Currently 0.50% p.a of the Net Asset Value of the Fund. Maximum 0.99% p.a of the Net Asset Value of the Fund. The Manager's fee is retained by the Manager as the Manager does not pay any trailer fees with respect to the Fund.
Trustee's fee	Currently 0.02% per annum on the first SGD100 million of the Net Asset Value of the Fund and 0.015% per annum on the next SGD400 million of the Net Asset Value of the Fund and 0.01% per annum on the balance above SGD500 million of the Net Asset Value of the Fund. Maximum 0.25% per annum of the Net Asset Value of the Fund, subject to a yearly minimum fee of SGD8,000 per annum.
Custodian fee	The Custodian Fee payable is subject to agreement between the Manager and the Custodian and may exceed 0.10% of the Net Asset Value of the Fund depending on, amongst others, the size of the Fund.
Other fees and charges	Other fees and charges include fund administration and valuation fees, legal fees, audit fees, transaction fees, accounting fees, licensing fees, transaction processing and cash processing fees. Such fees and charges are subject to agreement with the relevant parties and may amount to or exceed 0.10% of the Net Asset Value of the Fund, depending on the proportion each fee or charge bears to the Net Asset Value of the Fund.

Refer to the "Fees, Charges and Expenses" section of the Prospectus for further information on fees and charges.

CONTACT INFORMATION

HOW DO YOU CONTACT US?

If you have questions concerning your investment in the Fund, you may call us at telephone number (65) 6417 6900.

Website: www.lionglobalinvestors.com

Email: contactus@lionglobalinvestors.com

APPENDIX: GLOSSARY OF TERMS

"Application Unit"	means 50,000 Units or such higher number of Units in multiples of 1,000 Units or such other number of Units from time to time determined by us (with prior written notice to the Trustee and the Participating Dealers).
"ATM"	means automated teller machines.
"Authority"	means the Monetary Authority of Singapore or its successors.
"Business Day"	means (a) a day on which the SGX-ST and the Relevant Exchanges are open for normal trading, and (b) an Index Business Day, or such other day or days as may from time to time be determined by us and the Trustee.
"CDP"	means The Central Depository (Pte) Limited or any successor thereof established by the SGX-ST as a depository company which operates a central depository system for the holding and transfer of book-entry securities.
"CNH"	means the Chinese offshore RMB.
"Code"	means the Code on Collective Investment Schemes issued by the Authority (as may be amended from time to time).
"CSDCC"	means the China Securities Depository and Clearing Co., Ltd.
"Deposited Property"	means all the assets (including cash, if any) for the time being held or deemed to be held upon the trusts of the Trust Deed for the account of the Fund or Class (as the case may be) excluding any amount for the time being standing to the credit of the Distribution Account (as defined in the Trust Deed).
"Feeder Fund"	means a fund which invests all or substantially all of its investments which are units or sub-units or participations in one underlying fund or underlying collective investment scheme with the same or substantially the same investment policy.
"GST"	means goods and services tax.
"Index Business Day"	means a day on which the Index is compiled and published by the Index Provider.
"Index Securities"	means any securities which are for the time being constituent securities of the Index.
"Net Asset Value" or "NAV"	means (i) the net asset value of the Fund or, of a Unit calculated pursuant to the Trust Deed or (ii) the net asset value of the Underlying Fund or, of a unit calculated pursuant to its constitutive document, as the context may require.
"Participating Dealer"	means a broker or dealer which has entered into a Participation Agreement in form and substance acceptable to us and the Trustee.
"Relevant Exchanges"	means the stock exchanges on which the Index Securities and/or the units of the Underlying Fund are listed and/or traded.
"RMB"	means the Renminbi Yuan, the lawful currency of the PRC.
"SGX-ST"	means the Singapore Exchange Securities Trading Limited or its successors.
"SHSE"	means the Shanghai Stock Exchange or its successors.
"Stock Connect"	means the securities trading and clearing linked program developed by the Hong Kong Exchanges and Clearing Limited, the SHSE, the SZSE and CSDCC, with the aim of achieving mutual stock market access between PRC and Hong Kong. It comprises of the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.
"SZSE"	Shenzhen Stock Exchange or its successors.
"Trust Deed"	means the Trust Deed constituting the Fund, as may be amended, supplemented or restated from time to time.
"Underlying Fund Manager"	means China Merchants Fund Management Co., Ltd.
"Unit"	means one undivided share in the Deposited Property or the portion of the Deposited Property attributed to the relevant Class.
"Unit Trust"	means any arrangement made for the purpose, or having the effect, of providing facilities for the participation by persons, as beneficiaries under a trust, in profits or income arising from the acquisition, holding, management or disposal of securities or any other property whatsoever or in respect of any such arrangement which offers more than one class of units to participating persons (each representing a separate portfolio acquiring, holding, managing or disposing as aforesaid) means each such class of units.

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Lion Global Investors Ltd
65 Chulia Street #18-01
OCBC Centre, Singapore 049513

For more information, visit: lionglobalinvestors.com or email: ContactUs@lionglobalinvestors.com

Co Reg No:198601745D

A member of the OCBC Group