

香港中央結算有限公司
(香港交易及結算所有限公司全資附屬公司)

HONG KONG SECURITIES CLEARING COMPANY LIMITED
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

通告 CIRCULAR

Subject: Proposed Cessation of Trading, Termination, Voluntary Deauthorisation and Delisting

- ChinaAMC NASDAQ-100 Index Daily (-1x) Inverse Product
(Stock Code: 7331)
(the “Product”)

Enquiry: Exchange Participant General Enquiry Hotline (Tel: 2840 3626) / Email:
trd@hkex.com.hk

HKSCC Participant General Enquiry Hotline (Tel: 2979 7111) / Email:
clearingps@hkex.com.hk

Exchange and HKSCC Participants are requested to note that China Asset Management (Hong Kong) Limited (the “Manager”) has issued an Announcement and Notice on HKEXnews.hk

(<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0408/2024040800835.pdf>)

concerning the proposed cessation of trading, termination, voluntary deauthorisation and delisting and non-applicability of certain provisions of the Code on Unit Trusts and Mutual Funds (the “Announcement and Notice”).

Capitalized terms used herein shall have the same meanings set out in the Announcement and Notice unless the context otherwise requires.

According to the Announcement and Notice, the Last Trading Day of the Units in the Product on The Stock Exchange of Hong Kong Limited (the “SEHK”) will be 9 May 2024 after which the Product will no longer be traded on the SEHK. The expected Deauthorisation and Delisting of the Product will be on or shortly after the Termination Date (i.e. expected to be 9 July 2024).

Upon Deauthorisation and Delisting of the Product, the Product will no longer be subject to Hong Kong regulation by the Securities and Futures Commission (the “SFC”) nor recognized as the eligible securities in Central Clearing and Settlement System (“CCASS”) by Hong Kong Securities Clearing Company Limited (“HKSCC”).

Exchange and HKSCC Participants should inform and liaise with their clients as soon as possible to take any appropriate action(s). Potential course of action(s) to be taken by investors on or before the Last Trading Day are briefly mentioned below.

Potential actions to be taken by investors on or before the Last Trading Day

1. Trading on the SEHK up to and including the Last Trading Day (i.e. from now up to and including 9 May 2024)

On any trading day up to (and including) the Last Trading Day, an investor may continue to buy or sell its Units on the SEHK in accordance with the usual trading arrangements, during the trading hours of the SEHK and based on the prevailing market prices. The Manager expects that market makers of the Product (collectively the “Market Makers”) will continue to perform its market making functions in accordance with the Trading Rules of the SEHK until the Trading Cessation Date (i.e. 10 May 2024). These Exchange Trades will be cleared inside CCASS and automatically settled on a Continuous Net Settlement (CNS) basis as usual unless they are isolated from the CNS System by the counterparty Exchange Participants at the time of trade or isolated from the CNS System by HKSCC, in which case such trades will be settled on a trade-for-trade (TFT) basis.

2. Holding Units after the Last Trading Day

For Relevant Investors who are still holding Units in the Product after the Last Trading Day (the “Relevant Investors”), the Manager will, after consulting the Trustee and the Product’s auditors, declare a distribution in Hong Kong Dollars (the “Distribution”) in respect of those investors who remain invested in the Product as of the Distribution Record Date. Such Distribution is expected to be made on or around 7 June 2024 (the “Distribution Date”).

Each Relevant Investor will be entitled to a Distribution of an amount equal to the Product’s then Net Asset Value in proportion to the Relevant Investor’s Units as at the Distribution Record Date. The Product’s then Net Asset Value will be the total value of the net proceeds from the realisation of the assets of the Product, which exclude (i) the Provision; (ii) any taxes payable; and (iii) any expenses payable.

The Distribution payable to the Relevant Investor is expected to be paid on or around 7 June 2024, to the accounts of its financial intermediary or stockbroker maintained with CCASS as at the Distribution Record Date. The Manager will issue a further announcement to inform the Relevant Investors of the exact day of payment of the Distribution, together with the amount of Distribution per Unit for the Product in due course.

IMPORTANT NOTE: If an investor disposes of its Units at any time on or before the Last Trading Day, such investor will not in any circumstances be entitled to any portion of the Distribution or further distribution (if any) in respect of any Units so disposed. Investors should therefore exercise caution and consult their professional and financial advisers before dealing in their Units or otherwise deciding on any course of actions to be taken in relation to their Units.

Exchange/ HKSCC Participants are urged to:

- forward a copy of the Announcement and Notice to their clients holding any Units, and inform them of the contents of the Announcement and Notice as soon as possible;
- assist those clients who want to dispose of any Units on or before the Last Trading Day; and
- inform their clients as soon as possible if any earlier dealing deadline, additional fees or charges, and/or other terms and conditions will be applicable in respect of the provision of their services in connection with any disposal of Units.

If you have any questions in relation to the contents of the Announcement and Notice, please direct them to your stockbrokers or financial intermediaries or contact the Manager at 37th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong or enquiry hotline at (852) 3406 8686 during office hours, or visiting the Manager's website

(<http://www.chinaamc.com.hk>).

Trading in the Leveraged and Inverse Product(s) (L&I Product(s)) may not be suitable for all members of the public. Exchange Participants should advise their clients to carefully consider whether trading in the L&I Products is/are appropriate for them in light of their understanding of the product nature and characteristics, their own investment objectives, skills and experience, financial resources, risk tolerance and other relevant circumstances prior to making any decision.

As stated in the SFC's "[Circular on Leveraged and Inverse Products](#)", L&I Products are derivative products. Exchange Participants are reminded to refer to HKEX's participant circular "[Launch of Leveraged and Inverse Products](#)" and the SFC's "[Circular on Providing Services to Clients with respect to Leveraged and Inverse Products](#)" when providing services to clients with respect to L&I Products.

To facilitate Exchange Participants and investors to understand more about L&I Products, please refer to HKEX's [ETP webpage](#) and the SFC's "Circular on Leveraged and Inverse Products". Further information such as the prospectus

and other documents issued by the L&I Product Provider is available on the [HKEXnews website](#).

Elaine Choy
Vice President
Depository & Nominee Services