

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

- CSOP CSI 300 Index Daily (-1x) Inverse Product
(Stock Code: 7333)
 - CSOP FTSE China A50 Index Daily (2x) Leveraged Product
(Stock Code: 7248)
 - CSOP FTSE China A50 Index Daily (-1x) Inverse Product
(Stock Code: 7348)
 - CSOP Gold Futures Daily (-1x) Inverse Product
(Stock Code: 7374)
 - CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product
(Stock Code: 7345)
 - CSOP CSI Brokerage Index Daily (2x) Leveraged Product
(Stock Code: 7252)
- (each a “Terminating Product”, collectively the “Terminating Products”)

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CCASS Participant General Enquiry Hotline (Tel: 2979 7111) / Email:
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Exchange and CCASS Participants are requested to note that CSOP Asset Management Limited (the “Manager”) has issued an Announcement and Notice on HKEXnews.hk (<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0419/2024041901186.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 Terminating Products on The Stock Exchange of Hong Kong Limited (the “SEHK”) will be 20 May 2024, after which the Terminating Products will no longer be traded on the SEHK. The expected Deauthorisation and Delisting of the Terminating Products will be on or shortly after the Termination Date (i.e. expected to be 22 July 2024).

Upon Deauthorisation and Delisting of the Terminating Products, the Terminating Products 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 CCASS 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 20 May 2024)*

On any trading day up to (and including) the Last Trading Day, an investor may continue to buy or sell its Units in the Terminating Products 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 market makers of the Terminating Products will continue to perform their market making functions in accordance with the Rules of the Exchange until the Last Trading Date. 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 Terminating Products after the Last Trading Day, the Manager will, after consulting the Trustee and the Terminating Products’ auditor, declare a final distribution of assets (the “Final Distribution”) in

respect of those investors who remain invested in the Terminating Products as of the Distribution Record Date (the “Relevant Investors”). Such Final Distribution is expected to be made on or around 17 June 2024 (the “Final Distribution Date”).

Each Relevant Investor will be entitled to a Final Distribution of an amount equal to the relevant Terminating Product’s then Net Asset Value in proportion to the Relevant Investor’s Units in that Terminating Product as at the Distribution Record Date. (i.e. By close of business on 24 May 2024). Each Terminating Product’s then Net Asset Value will be the total value of the net proceeds from the realisation of the assets of the relevant Terminating Product, which will exclude (i) any taxes payable; and (ii) any expenses payable.

The Final Distribution payable to each Relevant Investor is expected to be paid to the accounts of its financial intermediary or stockbroker maintained with CCASS as at the Distribution Record Date on or around 17 June 2024. The Manager will issue a further announcement to inform the Relevant Investors of the exact day of payment of the Final Distribution, together with the amount of Final Distribution per Unit in respect of the relevant Terminating Product in due course.

IMPORTANT NOTE: If an investor disposes of its Units in the Termination Products at any time on or before the Last Trading Day, such investor will not in any circumstances be entitled to any portion of the Final Distribution or any 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 in the Terminating Products or otherwise deciding on any course of actions to be taken in relation to their Units in any of the Terminating Products.

Exchange/CCASS Participants are urged to:

- forward a copy of the Announcement and Notice to their clients holding Units in any or all of the Terminating Products, and inform them of the contents of the Announcement and Notice as soon as possible;
- facilitate their clients who want to dispose of Units in any or all of the Terminating Products on or before the Last Trading Day;
- 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 in the Terminating Products; and
- inform their clients of the Final Distribution arrangements and the possible impact in relation to such arrangements to their clients.

If you have any queries in relation to the contents of the Announcement and Notice, please direct them to your stockbrokers or financial intermediaries or contact the Manager by calling (852) 3406 5688 during office hours (except Hong Kong statutory holidays), or visiting the Manager in person at 2801-2803, Two Exchange Square, 8 Connaught Place, Central, Hong Kong or visiting the Manager's website (<https://www.csopasset.com/en/home>).

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](#).

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Depository & Nominee Services