

香港聯合交易所有限公司

(香港交易及結算所有限公司全資附屬公司)

THE STOCK EXCHANGE OF HONG KONG 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 - Vanguard ETF Series

Enquiry: Participant General Enquiry Hotline¹ (Tel : 2840 3626 E-mail : trd@hkex.com.hk)

Exchange and CCASS Participants are requested to note that Vanguard Investments Hong Kong Limited (the “Manager”) has issued an Announcement and Notice on HKEXnews.hk <https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0331/2021033101140.pdf> concerning the proposed cessation of trading, termination, voluntary deauthorisation and delisting and the non-applicability of certain provisions of the Code on Unit Trusts and Mutual Funds (the “Announcement and Notice”) of the following Sub-Funds:

Name of Sub-Fund (each a “Sub-Fund”, together the “Sub-Funds”)	HKD Counter Stock Code	RMB Counter Stock Code	USD Counter Stock Code
Vanguard FTSE Asia ex Japan Index ETF	2805	82805	9805
Vanguard FTSE Developed Europe Index ETF	3101	83101	9101
Vanguard FTSE Japan Index ETF	3126	83126	9126
Vanguard FTSE Asia ex Japan High Dividend Yield Index ETF	3085	83085	9085
Vanguard S&P 500 Index ETF	3140	83140	9140
Vanguard Total China Index ETF	3169	83169	9169

¹ All calls to and from the Participant General Enquiry Hotline may be recorded. HKEX Privacy Policy Statement is available [here](#).

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 expected Last Trading Day of the Units in the Sub-Funds on The Stock Exchange of Hong Kong Limited (the “SEHK”) will be 10 May 2021, after which the Sub-Funds will no longer be traded on the SEHK. The expected Deauthorisation and Delisting of the Sub-Funds will be on or shortly after 15 October 2021.

Upon Deauthorisation and Delisting of the Sub-Funds, the Sub-Funds 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 10 May 2021)

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 market makers of the Sub-Funds will continue to perform their market making functions in accordance with the Rules of the Exchange. 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 as of the Final Record Date

For Relevant Investors who are still holding Units as of the Final Record Date (i.e. By close of business on 14 May 2021) (the “Relevant Investors”), the Manager will, after consulting the Trustee and the Sub-Funds’ auditor, determine the Cash Proceeds Distribution payable to the Relevant Investors.

Each Relevant Investor will be entitled to share in the Cash Proceeds Distribution pro rata to the number of Units held by such investor relative to the total number of Units still in issue in the relevant Sub-Fund as at the Final Record Date.

The Cash Proceeds Distribution in respect of a Sub-Fund payable to each Relevant Investor is expected to be paid on or around 9 June 2021 to the account of such investor’s financial intermediary or stockbroker maintained with CCASS, based on the Trustee’s records as at the Final Record Date. The Manager will issue a further announcement to inform the investors of the exact day of payment of the Cash Proceeds Distribution, together with the amount of Cash Proceeds Distribution per Unit for each Sub-Fund in due course.

Any Further Cash Proceeds Distribution in respect of a Sub-Fund payable to Relevant Investors is expected to be paid on or around 16 July 2021 to the account of such investor's financial intermediary or stockbroker maintained with CCASS, based on the Trustee's records as at the Final Record Date. The Manager will issue a further announcement to inform the investors of the exact day of payment of any Further Cash Proceeds Distribution, together with the amount of any such Further Cash Proceeds Distribution per Unit for each Sub-Fund in due course.

The Cash Proceeds Distribution and Further Cash Proceeds Distribution (if any) will be calculated and paid in the relevant base currency of the Sub-Fund.

If there is any change, including to the dates mentioned in this section, the Manager will issue an announcement informing the Relevant Investors.

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 Cash Proceeds Distribution or Further Cash Proceeds 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/CCASS Participants are urged to:

- forward a copy of the Announcement and Notice to each of 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 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.
- inform their clients of the distribution of net cash proceeds arrangements and the possible impact in relation to such arrangements to their clients.

If you have any questions in relation to the contents of this Announcement and Notice, please direct them to your stockbrokers or financial intermediaries or contact the Manager by calling +852 3409 8444 during normal business hours (except Hong Kong statutory holidays), or visiting the Manager's website: www.vanguard.com.hk.

Trading in the ETF(s) may not be suitable for all members of the public. Exchange Participants should advise their clients to carefully consider whether trading in the ETF(s) 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.

Further information such as the prospectus and other documents issued by the manager is available on the [HKEXnews website](http://HKEXnews.website) and on the [ETP webpage](http://ETP.webpage).

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