

APPENDIX

Taikang Capital Stable Fund

泰康資本穩定基金

(a Sub-Fund of Taikang Premier Investment OFC 泰康卓越理財開放式基金型公司)

July 2022

This Appendix forms part of and should be read in conjunction with the Private Placing Memorandum for Taikang Premier Investment OFC 泰康卓越理財開放式基金型公司.

INTRODUCTION

Taikang Premier Investment OFC 泰康卓越理財開放式基金型公司 (the “**Company**”) is a Hong Kong open-ended fund company with variable capital and segregated liability between sub-funds regulated under the SFO. The Company was incorporated pursuant to an Instrument of Incorporation filed with the Registrar of Companies of Hong Kong on and effective as of 12 July 2021, with registration number OF16 and CE number BRH817.

Participating Shares are now being offered for sale to investors in Taikang Capital Stable Fund 泰康資本穩定基金 (the “**Fund**”) with CE number BSR108.

This Appendix has been prepared in connection with the initial and subsequent offering of Participating Shares in the Fund.

The initial offer of Participating Shares in respect of Class A USD Shares and Class I USD Shares ends on the Closing Date. The initial offer of Participating Shares in respect of Class A HKD (hedged) Shares and Class I HKD (hedged) Shares will commence and end on such dates and times as may be determined by the Directors and notified to prospective investors and/or Shareholders. Subject to the Instrument of Incorporation and applicable laws and regulations, the Directors have the discretion to establish a new Class or Classes of Participating Shares from time to time without the consent of, or notification to, existing Shareholders.

The Base Currency of the Fund is US dollars.

Investors should note that this Appendix forms part of and should be read in conjunction with the Private Placing Memorandum for the Company, as may be amended and supplemented from time to time (the “**Placing Memorandum**”).

The Placing Memorandum sets out certain terms, procedures, risk factors and other material information that shall apply to all Sub-Funds of the Company (including the Fund). Investors are advised to read both the Placing Memorandum and this Appendix carefully before making any application to subscribe for Participating Shares in the Fund.

Terms used in this Appendix shall, unless otherwise defined in this Appendix or unless the context otherwise requires, have the same meaning as in the Placing Memorandum. In the event of any inconsistency between the provisions of this Appendix and the Placing Memorandum, the provisions of this Appendix shall apply. Unless the context otherwise requires, in this Appendix references to Participating Shares shall be construed as references to Participating Shares of the Fund and references to Shareholders shall be construed as holders of Participating Shares of the Fund.

The Fund is not a separate legal entity. Despite references to the Fund carrying out certain activities and entering into certain transactions, the Company is the legal entity doing so for the account of the Fund. References in this Appendix to the Fund taking any action should be construed accordingly.

DEFINITIONS

“Administrator”	BOCI-Prudential Trustee Limited;
“Class 1 Shares”	includes the following Classes of Participating Shares: <ul style="list-style-type: none">• Class A1 HKD (hedged) Shares• Class A1 USD Shares• Class I1 HKD (hedged) Shares• Class I1 USD Shares
“Class 2 Shares”	includes the following Classes of Participating Shares: <ul style="list-style-type: none">• Class A2 HKD (hedged) Shares• Class A2 USD Shares• Class I2 HKD (hedged) Shares• Class I2 USD Shares
“Class 3 Shares”	includes the following Classes of Participating Shares: <ul style="list-style-type: none">• Class A3 HKD (hedged) Shares• Class A3 USD Shares• Class I3 HKD (hedged) Shares• Class I3 USD Shares
“Class 4 Shares”	includes the following Classes of Participating Shares: <ul style="list-style-type: none">• Class A4 HKD (hedged) Shares• Class A4 USD Shares• Class I4 HKD (hedged) Shares• Class I4 USD Shares
“Class A HKD (hedged) Shares”	includes the following Classes of Participating Shares: <ul style="list-style-type: none">• Class A1 HKD (hedged) Shares• Class A2 HKD (hedged) Shares• Class A3 HKD (hedged) Shares• Class A4 HKD (hedged) Shares
“Class A1 HKD (hedged) Shares”	a Class of Participating Shares of the Fund designated as Class A1 HKD (hedged) Shares and having the specific features as set out more particularly in the Placing Memorandum and this Appendix;
“Class A2 HKD (hedged) Shares”	a Class of Participating Shares of the Fund designated as Class A2 HKD (hedged) Shares and having the specific features as set out more particularly in the Placing Memorandum and this Appendix;
“Class A3 HKD (hedged) Shares”	a Class of Participating Shares of the Fund designated as Class A3 HKD (hedged) Shares and having the specific features as set out more particularly in the Placing Memorandum and this Appendix;
“Class A4 HKD (hedged) Shares”	a Class of Participating Shares of the Fund designated as Class A4 HKD (hedged) Shares and having the specific

features as set out more particularly in the Placing Memorandum and this Appendix;

“Class A USD Shares”

includes the following Classes of Participating Shares:

- Class A1 USD Shares
- Class A2 USD Shares
- Class A3 USD Shares
- Class A4 USD Shares

“Class A1 USD Shares”

a Class of Participating Shares of the Fund designated as Class A1 USD Shares and having the specific features as set out more particularly in the Placing Memorandum and this Appendix;

“Class A2 USD Shares”

a Class of Participating Shares of the Fund designated as Class A2 USD Shares and having the specific features as set out more particularly in the Placing Memorandum and this Appendix;

“Class A3 USD Shares”

a Class of Participating Shares of the Fund designated as Class A3 USD Shares and having the specific features as set out more particularly in the Placing Memorandum and this Appendix;

“Class A4 USD Shares”

a Class of Participating Shares of the Fund designated as Class A4 USD Shares and having the specific features as set out more particularly in the Placing Memorandum and this Appendix;

“Class I HKD (hedged) Shares”

includes the following Classes of Participating Shares:

- Class I1 HKD (hedged) Shares
- Class I2 HKD (hedged) Shares
- Class I3 HKD (hedged) Shares
- Class I4 HKD (hedged) Shares

“Class I1 HKD (hedged) Shares”

a Class of Participating Shares of the Fund designated as Class I1 HKD (hedged) Shares and having the specific features as set out more particularly in the Placing Memorandum and this Appendix;

“Class I2 HKD (hedged) Shares”

a Class of Participating Shares of the Fund designated as Class I2 HKD (hedged) Shares and having the specific features as set out more particularly in the Placing Memorandum and this Appendix;

“Class I3 HKD (hedged) Shares”

a Class of Participating Shares of the Fund designated as Class I3 HKD (hedged) Shares and having the specific features as set out more particularly in the Placing Memorandum and this Appendix;

“Class I4 HKD (hedged) Shares”

a Class of Participating Shares of the Fund designated as Class I4 HKD (hedged) Shares and having the specific features as

set out more particularly in the Placing Memorandum and this Appendix;

“Class I USD Shares”

includes the following Classes of Participating Shares:

- Class I1 USD Shares
- Class I2 USD Shares
- Class I3 USD Shares
- Class I4 USD Shares

“Class I1 USD Shares”

a Class of Participating Shares of the Fund designated as Class I1 USD Shares and having the specific features as set out more particularly in the Placing Memorandum and this Appendix;

“Class I2 USD Shares”

a Class of Participating Shares of the Fund designated as Class I2 USD Shares and having the specific features as set out more particularly in the Placing Memorandum and this Appendix;

“Class I3 USD Shares”

a Class of Participating Shares of the Fund designated as Class I3 USD Shares and having the specific features as set out more particularly in the Placing Memorandum and this Appendix;

“Class I4 USD Shares”

a Class of Participating Shares of the Fund designated as Class I4 USD Shares and having the specific features as set out more particularly in the Placing Memorandum and this Appendix;

“Closing Date”

28 July 2022 or such other date as the Directors may determine;

“Code”

means the Code on Unit Trusts and Mutual Funds published by the SFC;

“Code of Conduct”

means the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission;

“Custodian”

BOCI-Prudential Trustee Limited;

“Initial Offer Period”

- in respect of Class A USD Shares and Class I USD Shares, the period from 9:00 am (Hong Kong time) on 21 July 2022 (or such other times on such dates as the Directors may determine, whether generally or in respect of any particular Class of Participating Shares) to 5:00 p.m. (Hong Kong time) on 28 July 2022 (or such other times on such dates as the Directors may determine, whether generally or in respect of any particular Class or Series of Participating Shares);

- in respect of Class A HKD (hedged) Shares and Class I HKD (hedged) Shares, the period commencing and ending on such dates and times as may be determined by the Directors;

“Placing Memorandum”

the private placing memorandum of the Company, as may be amended and supplemented from time to time;

“Redemption Day”

- in respect of Class 1 Shares, the 7th calendar day in each calendar month (and if such a day is not a Business Day, then the next following Business Day) or such other day or days as the Directors may from time to time prescribe;

- in respect of Class 2 Shares, the 14th calendar day in each calendar month (and if such a day is not a Business Day, then the next following Business Day) or such other day or days as the Directors may from time to time prescribe;

- in respect of Class 3 Shares, the 21st calendar day in each calendar month (and if such a day is not a Business Day, then the next following Business Day) or such other day or days as the Directors may from time to time prescribe;

- in respect of Class 4 Shares, the 28th calendar day in each calendar month (and if such a day is not a Business Day, then the next following Business Day) or such other day or days as the Directors may from time to time prescribe;

“Subscription Day”

- in respect of Class 1 Shares, the 7th calendar day in each calendar month (and if such a day is not a Business Day, then the next following Business Day) or such other day or days as the Directors may from time to time prescribe;

- in respect of Class 2 Shares, the 14th calendar day in each calendar month (and if such a day is not a Business Day, then the next following Business Day) or such other day or days as the Directors may from time to time prescribe;

- in respect of Class 3 Shares, the 21st calendar day in each calendar month (and if such a day is not a Business Day, then the next following Business Day) or such other day or days as the Directors may from time to time prescribe;

- in respect of Class 4 Shares, the 28th calendar day in each calendar month (and if such a day is not a Business Day, then the next following Business Day) or such other day or days as the Directors may from time to time prescribe;

“Valuation Day”

each Subscription Day and Redemption Day, or such other day or days as the Directors may from time to time prescribe, either generally or in respect of a particular Class or Classes of Participating Shares, at which the Net Asset Value falls to be calculated.

DIRECTORY OF SERVICE PROVIDERS OF THE FUND

Administrator: BOCI-Prudential Trustee Limited
Suites 1501-1507 & 1513-1516, 15/F
1111 King's Road
Taikoo Shing
Hong Kong

Custodian: BOCI-Prudential Trustee Limited
Suites 1501-1507 & 1513-1516, 15/F
1111 King's Road
Taikoo Shing
Hong Kong

INVESTMENT CONSIDERATIONS

Investment Objective and Strategy

Investment Objective

The principal investment objective of the Fund is to provide investors with stable return.

Investment Strategy

To achieve the investment objective, the Fund will invest in deposits, including but not limited to fixed deposits, saving deposits with remaining days to maturity of less than 370 days, issued by investment grade-rated banks or substantial financial institutions. The deposits may be denominated in USD or other currencies. There are no restrictions on the allocation of the deposits and the investments of the Fund at any one time may comprise of deposits in a single currency.

For the purpose of the investment strategy:

“**investment grade**” means A-3 or higher by Standard & Poor’s or F3 or higher by Fitch Ratings or P-3 or higher by Moody’s or equivalent rating as rated by one of the international credit rating agencies. In the case of split ratings, the highest rating will be used.

“**substantial financial institutions**” means an authorized institution as defined in section 2(1) of the Banking Ordinance (Chapter 155 of Laws of Hong Kong) or a financial institution which is on an ongoing basis subject to prudential regulation and supervision, with a minimum net asset value of HK\$2 billion or its equivalent in foreign currency, or as otherwise defined in the Code, as may be consolidated, amended and revised from time to time.

The Fund may also invest in money market funds authorised by the SFC under the Code, which may be managed by the Manager or its affiliates, or other third party investment managers (“**underlying funds**”). If the Manager considers it prudent to do so, the Fund may invest 100 per cent. of its assets in the underlying funds.

The indicative asset allocation of the Fund is as follow:

70% - 100% of the Net Asset Value of the Fund	USD and non-USD denominated deposits and money market funds authorised by the SFC
0% - 30% of the Net Asset Value of the Fund	USD and non-USD denominated Certificates of Deposit

The Fund may hold 100 per cent. of its assets in cash or cash equivalents should the Manager deem such strategy to be prudent over any time period.

The Fund may invest in derivative instruments such as foreign currency swap and foreign currency forward for currency hedging.

Investment Restrictions

The Fund will be subject to the investment restrictions set out in the SFC’s Code on Open-Ended Fund Companies, which currently provides that the Fund must not be a business undertaking for general commercial or industrial purposes.

Subject to the above, the Fund has broad and flexible investment authority. In order to maintain flexibility and to capitalize on investment opportunities as they arise, the Fund is not required to invest any particular percentage of its portfolio in any type of investment or region, and the amount of the Fund's portfolio which is invested in any type of investment, or which is weighted in different countries or different sectors can change at any time based on the availability of attractive market opportunities. There are no investment restrictions instituted by the Manager.

Borrowing and Leverage

The Fund is authorised to borrow cash under loans and other credit facilities up to a maximum of 100 per cent. of the latest available Net Asset Value of the Fund in order to enhance its investment leverage, to pay expenses and to fund redemption requests, as may be determined by the Manager. Back to back borrowings will not be counted for the purposes of any limit on borrowings. Such limits shall only be measured at the time that any new borrowings are incurred, although the Manager shall, to the extent practicable, seek to comply with the borrowing limits on an ongoing basis, having regard to the terms of any existing loans and other credit facilities of the Fund, and provided that the Manager shall not be required to reduce the level of any existing borrowings if doing so may be expected to have a material adverse effect on the existing investments of the Fund.

The Fund may invest in derivative instruments for hedging purposes only but not for investment purposes.

Short Selling

The Fund does not currently intend to engage in short selling transactions.

Securities Lending and Repurchase / Reverse Repurchase Transactions

The Fund does not currently intend to engage in securities lending, repurchase or reverse repurchase transactions.

Underwriting

The Fund does not currently intend to engage in underwriting transactions.

Soft Wind-Down

If the Directors, in consultation with the Manager, decide that the investment objectives and strategy of the Fund are no longer viable they may resolve that the Fund be managed with the objective of realising assets in an orderly manner and distributing the proceeds to Shareholders, as more particularly described in the of the section headed "*Investment Considerations – Soft Wind-Down*" of the Placing Memorandum.

Changes to Investment Objective, Strategy or Restrictions

Changes to the investment objective and strategy, investment restrictions, borrowing and leverage limits and/or other investment policies of the Fund may be effected in accordance with the provisions of the section headed "*Investment Considerations – Changes to Investment Objective, Strategy or Restrictions*" of the Placing Memorandum.

MANAGEMENT AND ADMINISTRATION

Administrator and Custodian

The Company, on behalf of and for the account of the Fund, has appointed BOCI-Prudential Trustee Limited to act as the administrator and custodian pursuant to the Administration Agreement and the Custodian Agreement.

Administration Agreement

BOCI-Prudential Trustee Limited (“**BOCPT**”) has been appointed as the administrator to the Company for the Fund, pursuant to the administration agreement entered into between BOCPT and the Company for and on behalf of the Fund (“**Administration Agreement**”).

BOCPT is incorporated and registered as a trust company in Hong Kong. BOCPT is a joint venture founded by BOC Group Trustee Company Limited and Prudential Corporation Holdings Limited. BOC Group Trustee Company Limited is owned by Bank of China (Hong Kong) Limited and BOC International Holdings Limited, which are subsidiaries of Bank of China Limited. The principal activity of BOCPT is the provision of trustee services, investment accounting, administration and registrar services to various kinds of funds and institutional clients.

Pursuant to the Administration Agreement, BOCPT is responsible for the general administration services of the Fund, which include amongst other things, arranging calculation of net asset valuations, management fee and performance fees, maintenance of financial books and records, maintaining a copy of the register of holders of Participating Shares of the Fund and arranging for the issuance and redemption of the Participating Shares.

The Company and BOCPT may amend or modify the administration agreements by mutual agreement, subject to the terms of the Administration Agreement.

The appointment of BOCPT as the administrator to the Company may be terminated by not less than ninety (90) days’ notice in writing or in accordance with terms of the Administration Agreement.

Custodian Agreement

Under the Custodian Agreement made between BOCPT and the Company, BOCPT is responsible for the safe-keeping of the assets of the Fund. BOCPT may appoint any person or persons (including a connected person of BOCPT) as Nominees (as defined in the Custodian Agreement), agents or delegates of BOCPT, to hold all or any of the assets of the Fund. BOCPT shall (a) exercise reasonable care, skill and diligence in the selection, appointment and ongoing monitoring of Nominees, agents and delegates; (b) be satisfied that such Nominees, agents and delegates remains suitably qualified and competent on an ongoing basis to provide the relevant custodial services to the Fund.

Under the Custodian Agreement, BOCPT shall not be responsible or liable for any Losses (as defined in the Custodian Agreement) that the Fund may suffer or incur arising out of or in connection with the Account and / or the provision of the Services (both as defined in the Custodian Agreement) by BOCPT except and only to the extent that such Losses are solely and directly the result of an event of wilful default, fraud or gross negligence by BOCPT. BOCPT and its directors, officers, employees and agents shall be entitled for the purpose of indemnity against any Losses arising out of any action taken or omitted to be taken in good faith by BOCPT as set out in the Custodian Agreement. Notwithstanding the foregoing, BOCPT, in its capacity as Custodian to the Fund, shall not be exempted from or indemnified against any liability in connection with BOCPT’s misconduct (as defined under S112T of the SFO) or fraud, or be indemnified against such liability by the Fund, Shareholders or at Shareholders' expense. Under the Custodian

Agreement, BOCPT may retire on 90 days' written notice and must retire when it ceases to meet the eligibility requirements (or is prohibited from acting as Custodian) under the applicable regulatory requirements or when the SFC withdraws its approval of the Custodian. BOCPT, in its capacity as Custodian to the Fund, is subject to removal by notice in writing from the Directors where:

- BOCPT goes into liquidation, becomes bankrupt or has a receiver appointed over its assets; or
- when for good and sufficient reason, the Directors state in writing that a change of Custodian by retiring or removing BOCPT is desirable in the interests of the Shareholders;

BOCPT may not retire except upon the appointment of a new custodian (“**Substitute Custodian**”). In the event that BOCPT shall retire or be removed or its appointment shall otherwise terminate, the Company shall appoint another corporation eligible under the laws and regulations to act as the Substitute Custodian in respect of the Fund which is approved by the SFC in place of BOCPT so retiring or being removed on or before the expiry of any period of notice of such retirement or removal. The retirement or removal of BOCPT should take effect at the same time as the Substitute Custodian takes up office.

BOCPT is a service provider to the Company for the account of the Fund and does not provide advisory or asset management services to the Fund and is not responsible for the management or administration of the Fund and is under no duty to supervise compliance with the investment objective, policy, investment restrictions, borrowing restrictions or operating guidelines in relation to the Fund. None of BOCPT or their employees, service providers or agents is responsible for the preparation or issue of the Placing Memorandum and this Appendix other than the descriptions under this sub-section headed “*Administrator and Custodian*”.

The Company reserves the right to change the brokerage and custodian arrangements described above by agreement with the Custodian and/or, in its discretion, to appoint additional or alternative brokers and custodian(s).

See the section headed “*Charges and Expenses – Administrator’s Fees*” and “*Charges and Expenses – Custodian’s Fees*” for a description of the fees payable to the Administrator and the Custodian.

INVESTING IN THE FUND

Class(es) of Participating Shares

The Fund currently offers the following Classes of Participating Shares:

Class of Participating Shares	Class Currency
Class A USD Shares	US\$
Class A HKD (hedged) Shares	HK\$
Class I USD Shares	US\$
Class I HKD (hedged) Shares	HK\$

Class A USD Shares and Class A HKD (hedged) Shares are available for investment by professional investors, including Individual Professional Investors as defined under the Code of Conduct, distributors and other professional investors which the Directors and the Manager may designate in their discretion.

Class I USD Shares and Class I HKD (hedged) Shares are available for investment by Institutional Professional Investors (as defined under the Code of Conduct) and other professional investors which the Directors and Manager may designate in their discretion.

Apart from their fee structures and such other terms and features as described in the Placing Memorandum and this Appendix and save as otherwise provided in the Instrument of Incorporation, Class A USD Shares, Class A HKD (hedged) Shares, Class I USD Shares and Class I HKD (hedged) Shares shall have equal ranking with, and the same rights as, each other.

Class A USD Shares, Class A HKD (hedged) Shares, Class I USD Shares and Class I HKD (hedged) Shares will be available for subscription in the relevant Class Currency. In the event of discontinuation of the currency of a Class of Shares, the Directors may redenominate the Class Currency of such Participating Shares into the Base Currency of the Fund (or another currency if the Base Currency is unavailable) at such exchange rate as the Directors may in their absolute discretion determine.

The Initial Offering

Participating Shares of the Fund are being offered to investors during the Initial Offer Period of the relevant Class of Participating Shares at an Initial Offer Price per Participating Share as set out below:

Class of Participating Shares	Initial Offer Price Per Participating Share
Class A USD Shares	US\$100
Class A HKD (hedged) Shares	HK\$100
Class I USD Shares	US\$100
Class I HKD (hedged) Shares	HK\$100

Applications for Participating Shares of the relevant Class may be made during the Initial Offer Period of the relevant Class at the Initial Offer Price per Participating Share in accordance with the section headed “*Investing in the Company - Initial Offering of Participating Shares*” in the Placing Memorandum.

Minimum Initial Fund Size

The offering of Participating Shares of the Fund is conditional upon a targeted minimum total subscription amount of at least US\$10,000,000 being received on or before the Closing Date, in the manner described under the section headed “*Investing in the Company - Initial Offering of Participating Shares – Minimum Initial Size*” in the Placing Memorandum. Notwithstanding the foregoing, the Directors have discretion, in

consultation with the Manager, to proceed with the launch of the Fund where such targeted minimum total subscription amount has not been achieved.

Subsequent Issues

Following the Closing Date, applications for Participating Shares may be made in respect of each Subscription Day of the Fund in accordance with the section headed “*Investing in the Company – Subsequent Issues*” in the Placing Memorandum.

The price at which Participating Shares will be issued on any particular Subscription Day will be the Subscription Price per Participating Share determined in the manner described in the section headed “*Valuation and Prices - Subscription and Redemption Prices*” in the Placing Memorandum.

The Subscription Dealing Deadline, in respect of a particular Class of Participating Shares, will be 5:00 p.m. (Hong Kong time) on the Business Day immediately preceding the relevant Subscription Day applicable to the relevant Class of Participating Shares, or such other time on such day before the Valuation Point in relation to the relevant Subscription Day as the Directors may in their discretion determine whether generally or in any particular case.

The Payment Deadline, in respect of a particular Class of Participating Shares, will be 5:00 p.m. (Hong Kong time) on the Business Day before the relevant Subscription Day applicable to the relevant Class of Participating Shares as the Directors may in their discretion determine whether generally or in any particular case.

Minimum Subscriptions

The minimum initial subscription amount and the minimum subsequent subscription amount for each Class of Participating Shares are set out below:

Class of Participating Shares	Minimum Initial Subscription Amount*	Minimum Subsequent Subscription Amount*
Class A USD Shares	US\$50,000	US\$10,000
Class A HKD (hedged) Shares	HK\$400,000	HK\$80,000
Class I USD Shares	US\$100,000	US\$20,000
Class I HKD (hedged) Shares	HK\$800,000	HK\$160,000

* Exclusive of any subscription charge

The Manager may, in its discretion agree to accept such other subscription amount, either for initial or subsequent subscriptions, as the Manager may from time to time determine, whether generally or in a particular case.

Subscription Charge

The Manager is entitled to levy a subscription charge of up to 5% on the issue of Participating Shares, calculated as a percentage of the gross application moneys received by the Company for the account of the Fund.

The subscription charge is payable by the applicant and retained by the Manager and the Manager may pay or share such subscription charge with its agents or delegates. The Manager has discretion to waive this subscription charge in whole or in part in relation to any application for Participating Shares whether generally or in a particular case.

Subscription Procedures

All applications for Participating Shares must be made by way of properly completed Application Forms in the manner provided for in the Application Form and under the section headed “*Investing in the Company – Subscription Procedures*” in the Placing Memorandum.

Subscription Payment Procedures

Payment must be made in accordance with the payment procedures as disclosed in the section headed “*Investing in the Company – Subscription Payment Procedures*” in the Placing Memorandum. The Fund does not accept payment for Participating Shares in specie. The provisions set out under the section headed “*Investing in the Company – Subscription in Specie*” in the Placing Memorandum do not apply to the Fund.

Redemptions

Participating Shares of the relevant Class may be redeemed at the Redemption Price of such Class of Participating Shares on any Redemption Day applicable to the relevant Class of Participating Shares in accordance with the section headed “*Investing in the Company – Redemptions*” in the Placing Memorandum. If a Redemption Notice is not received by the Redemption Dealing Deadline in relation to a Redemption Day applicable to the relevant Class of Participating Shares as set out below, Shareholders will only be able to redeem the relevant Class of Participating Shares on the next available Redemption Day applicable to the relevant Class of Participating Shares, provided that the Redemption Notice is received by the applicable Redemption Dealing Deadline as set out below.

The Redemption Dealing Deadline, in respect of a particular Class of Participating Share, will be 5:00 p.m. (Hong Kong time) on the Business Day immediately preceding the relevant Redemption Day applicable to the relevant Class of Participating Shares, or such other time and/or day before the Valuation Point in relation to the relevant Redemption Day as the Directors may in their discretion agree either generally or in a particular case.

Redemption Price

The Redemption Price shall be determined in the manner described in the section headed “*Valuation and Prices – Subscription and Redemption Prices of Participating Shares*” in the Placing Memorandum.

Minimum Redemption Amount and Minimum Holding Amount

Partial redemptions of holdings of Participating Shares may be effected, subject to the minimum redemption amount and minimum holding amount for the relevant Class of Participating Shares as set out below:

Class of Participating Shares	Minimum Redemption Amount	Minimum Holding Amount
Class A USD Shares	US\$10,000	US\$50,000
Class A HKD (hedged) Shares	HK\$80,000	HK\$400,000
Class I USD Shares	US\$20,000	US\$100,000
Class I HKD (hedged) Shares	HK\$160,000	HK\$800,000

The Manager has the discretion to accept such other amount or amounts or waive the requirement for the minimum redemption amount or the minimum holding amount (in whole or in part) from time to time, whether generally or in a particular case.

If a request for a partial redemption will result in a Shareholder holding less than the minimum holding amount applicable to the relevant Class on the relevant Redemption Day or such other amount as the Manager may from time to time determine, the Manager may deem such request to have been made in respect of all the Participating Shares of the relevant Class held by that Shareholder.

Redemption Charge

The Manager has the power to levy a redemption charge of up to 5% on the redemption of Participating Shares, calculated as a percentage of the total redemption proceeds to be paid to the redeeming Shareholders.

The redemption charge shall be retained for the benefit of the Manager and the Manager may pay or share such redemption charge with its agents or delegates. The Manager has the discretion to waive the redemption charge in whole or in part, whether generally or in a particular case.

Payment of Redemption Proceeds

Redemption proceeds will be paid at the times and in the manner described in the section headed “*Investing in the Company – Redemption Payment Procedures*” in the Placing Memorandum.

Restrictions on Redemption

The Company’s obligation to redeem Participating Shares in the Fund is subject to postponement if requests are received in respect of any one Redemption Day for redemptions of, in aggregate, more than 20 per cent. (or such higher percentage as the Manager may determine in its sole discretion) of the value of Participating Shares in issue. In such case, the Company may (but is not required to) reduce all but not some of such requests pro rata in such manner as described in the section headed “*Investing in the Company – Restrictions on Redemption*” in the Placing Memorandum.

Compulsory Redemptions and Transfers

The Directors and the Manager each have the power under the Instrument of Incorporation to compulsorily redeem the Participating Shares held by a Shareholder, or to require such Participating Shares to be transferred to a Qualified Holder in the circumstances described in the section headed “*Investing in the Company – Compulsory Redemptions and Transfers*” in the Placing Memorandum.

Redemption in Specie

The Directors may not effect a redemption payment to any or all redeeming Shareholders in specie. The provisions set out under the section headed “*Investing in the Company – Redemption in Specie*” in the Placing Memorandum shall not apply to the Fund.

Conversion of Participating Shares

Conversion of Participating Shares of a Class into Participating Shares of another Class of the Fund or into Participating Shares or another Sub-Fund is not allowed. The provisions set out in the section headed “*Investment in the Company – Conversion of Participating Shares*” in the Placing Memorandum shall not apply to the Fund.

Dividend Policy

Income of the Fund will not be distributed unless the Directors otherwise determine. Retained income will be reflected in the value of Participating Shares.

RISK FACTORS AND POTENTIAL CONFLICTS OF INTEREST

Investors should satisfy themselves that the Fund is suitable for them in terms of their own circumstances and financial position before making any decision to invest in the Fund. In addition, investors should avoid excessive investment in any single type of investment (in terms of its proportion in their overall investment portfolio), including any proposed investment in the Fund, so as to avoid their investment portfolio being over-exposed to any particular investment risk.

In addition to the specific risk factors set out below, investors should also refer to the relevant risks mentioned in the sections headed “*Risk Factors*” and “*General Information – Potential Conflicts of Interest*” in the Placing Memorandum, having regard to the nature of the Fund. Investors should note that the risk factors as mentioned in the Placing Memorandum and this Appendix do not purport to be an exhaustive list of all the risks inherent in an investment in the Fund. Investors should not solely rely upon such information for any investment in the Fund and should note that there may be various other risks or considerations not specifically mentioned in the Placing Memorandum or this Appendix, but which may also need to be taken into account before making any decision to invest in the Fund.

Investment risk

The purchase of a Share in the Fund is not the same as placing funds on deposit with a bank or deposit-taking company. The Fund does not guarantee principal and the Manager has no obligation to redeem the Participating Shares at the price at which Participating Shares are issued. The Fund is not subject to the supervision of the Hong Kong Monetary Authority.

Investors should be aware that investment in the Fund is subject to normal market fluctuations and other risks inherent in the underlying assets into which the Fund may invest. There can be no assurance that any appreciation in value of investments will occur. There is no guarantee of repayment of principal.

Whilst it is the intention of the Manager to implement strategies which are designed to achieve the investment objective, there can be no assurance that these strategies will be successful. The Manager may not be successful in selecting the best-performing securities or investment techniques. Accordingly, there is a risk that investors may not recoup the original amount invested in the Fund or may lose a substantial part or all of their initial investment.

Risks associated with bank deposits

Bank deposits are subject to the credit risks of the relevant financial institutions. The Fund’s deposit may not be protected by any deposit protection schemes, or the value of the protection under the deposit protection schemes may not cover the full amount deposited by the Fund. Therefore, if the relevant financial institution defaults, the Fund may suffer losses as a result.

Risks associated with investing in money market funds

The purchase of a unit or a share in a money market fund is not the same as placing funds on deposit with a bank or deposit-taking company. The money market funds that the Fund invest in do not guarantee principal and the manager of such underlying money market funds has no obligation to redeem units or shares at the offer value. Money market funds are not subject to the supervision of the Hong Kong Monetary Authority and do not have a constant net asset value.

Concentration risk

The Fund's investment may at any time be primarily in instruments denominated in any single currency. The concentration of its investment may subject it to great volatility than portfolios which comprise broad-based global investments that are not focused on a specific currency denomination, country, sector or type of investment.

Short-term instruments risk

The Fund will invest in short-term money market instruments. Short-term money market instruments are not risk-free and investing in the Fund is not the same as placing funds on deposit with a bank or deposit taking company. The Manager has no obligation to redeem Participating Shares of the Fund at the Initial Offer Price or Subscription Price, as the case may be. As the Fund invests significantly in short-term instruments with short maturities, it means the turnover rates of the Fund's investments may be relatively high and the transaction costs incurred as a result of the purchase or sale of short-term instruments may also increase which in turn may have a negative impact on the Net Asset Value of the Fund.

Risks associated with Investments in Other Collective Investment Schemes

Prospective investors should be aware of the consequences of investing in other funds. Investment decisions of the underlying funds are made at the level of such underlying funds and it is possible that the managers of such underlying funds will take positions or engage in transactions in the same securities or in issues of the same asset class, industry or country or currency at the same time. Consequently, there is a possibility that one underlying fund may purchase an asset at about the same time as another underlying fund may sell it.

There can be no assurance that the selection of the managers of the underlying funds will result in an effective diversification of investment styles and that positions taken by the underlying funds will always be consistent.

The selection of underlying funds will be made in a manner to secure the opportunity to have the shares or units in such underlying funds redeemed within a reasonable time frame. There is, however, no assurance that the liquidity of the underlying funds will always be sufficient to meet redemption requests as and when made.

Multiple Levels of Fees and Expenses

The Manager shall seek to secure waivers and/or discounts with respect to fees and expenses charged by any underlying funds in which the Fund invests. However, notwithstanding the efforts of the Manager, the relevant underlying funds may impose management fees and other fees and expenses to the Fund. Where both the Fund and any underlying funds in which the Fund may invest impose management fees and/or other fees and expenses, this will cause a higher level of fees than if the Shareholder invested directly in the relevant underlying funds. For the avoidance of doubt, where the Fund invests in underlying funds managed by the Manager or its affiliates ("**Manager-Affiliated Underlying Funds**"), the Manager or its affiliates shall waive all initial charges, management fee, performance fee and redemption fee, which it is entitled to charge for its own account in relation to the investment by the Fund in that Manager-Affiliated Underlying Fund.

Currency Risk and Currency Hedging Risk

Currency movements and asset values

The assets in which the Fund are invested and the income from the assets will or may be quoted in currencies which are different from the Fund's Base Currency. The performance of the Fund will therefore be affected by movements in the exchange rate between the currencies in which the assets are held and Fund's Base

Currency denomination. The performance of the Fund may also be affected by changes in exchange control regulations.

Risks relating to currency hedging

The Fund may use techniques and instruments to seek to hedge against exchange rate risks and protect against fluctuations in the relative value of its portfolio positions. However, it may not be possible or practical to hedge against such risks at all times. These hedging transactions may, on the other hand, limit any potential gain that might be realised should the value of the hedged currency increase. There is no guarantee that hedging techniques will achieve their desired result and a hedged strategy may not be able to match exactly the profile of the investments of the Fund. The abovementioned hedging transactions may become ineffective and the Fund may suffer a substantial loss.

ACCOUNTS AND INFORMATION

The Fund's financial year end is 31 December with the first such financial year ending on 31 December 2022. The annual reports and audited accounts of the Fund will be published and copies will be sent to Shareholders within four months from the end of each financial year end. The annual reports and audited accounts of the Fund will also be made available to investors free of charge upon request from the offices of the Manager. All financial reports published by the Company for the Fund will also be filed with the SFC within four months of the end of each financial year end. The Net Asset Value per Participating Share will be published monthly in Shareholder reports sent by post or email to Shareholders, or such other media as the Directors may determine.

CHARGES AND EXPENSES

Management Fee

The Manager is entitled to receive an annual Management Fee equal to the following rates per annum accrued and calculated on the basis of the Net Asset Value of the relevant Class of Participating Shares (before deduction of any accrued Management Fee) as at each Valuation Point and payable on the last Valuation Day of a calendar month in arrears.

Class of Participating Shares	Management Fee (per annum)
Class A USD Shares	0.3%
Class A HKD (hedged) Shares	0.3%
Class I USD Shares	0.15%
Class I HKD (hedged) Shares	0.15%

Subject to the Management Agreement, the Manager will also be entitled to be reimbursed out of the assets of the Fund for all out-of-pocket expenses incurred in the course of its duties.

The Manager is also entitled to the subscription charge payable on the issue of Participating Shares mentioned above in the section headed “*Investing in the Fund - Subscription Charge*”, the redemption charge mentioned above in the section headed “*Investing in the Fund - Redemption Charge*”.

Performance Fee

No Performance Fee will be payable in respect of any Class of Participating Shares.

Administrator’s Fees

The Company will pay, out of the assets of Fund, a fee for administration services for the Fund for which it acts as administrator at rates agreed with the Administrator from time to time.

The Administrator will also be entitled to be reimbursed by the Fund for all out-of-pocket expenses incurred in the course of its duties.

Custodian’s Fees

The Company will pay, out of the assets of the Fund, a fee for custody services for the Fund at rates agreed with the Custodian from time to time.

The Custodian will also be entitled to be reimbursed by the Fund for all out-of-pocket expenses incurred in the course of its duties.

Additional Fee Considerations

The Manager reserves the right to waive or rebate any fees to which it is entitled, whether in part or in full and whether in respect of particular investors or generally.

General Expenses

A portion of the preliminary expenses of the Company and the costs incurred in connection with the establishment of the Fund which are estimated to be US\$[80,000] will be borne by the Fund and amortised over the first five financial years of the Fund commencing on the first day following the close of the Initial

Offer Period of the Fund or over such other period as the Directors may determine. More details are set out under the section headed “*Charges and Expenses - General Expenses*” in the Placing Memorandum.

The Fund shall bear a portion of the expenses of the Company in accordance with the section headed “*Charges and Expenses - General Expenses*” in the Placing Memorandum, such as the fees and expenses of the auditors, the legal advisers and the tax advisers. The Fund will also pay its own on-going costs and expenses such as brokerage fees and interest on borrowings.

GENERAL INFORMATION

Termination of the Fund

The Directors may terminate the Fund as set out in the Placing Memorandum and/or if the aggregate Net Asset Value of the outstanding Participating Shares of the Fund falls below US\$5,000,000.