

This document is important and requires your immediate attention. If you are in any doubt about the content of this document, you should consult your stockbroker, accountant, bank manager, financial planner, attorney, solicitor or other independent professional advisor.

Haitong International Asset Management (HK) Limited (the “**Manager**”) accepts full responsibility for the accuracy of the information contained in this notice and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement misleading.

Capitalized terms used herein not otherwise defined have the meaning ascribed to those terms in the explanatory memorandum of Haitong Investment Fund Series dated April 2022 (the “**Explanatory Memorandum**”).

16 November 2023

NOTICE TO UNITHOLDERS

Dear Investors,

Haitong Investment Fund Series (the “Fund”)

- **Haitong Asian High Yield Bond Fund (the “Sub-Fund”)**

We, as the Manager of the Fund and the Sub-Fund, are writing to inform you of certain changes to the Fund and the Sub-Fund.

A. Updates in relation to the Sub-Fund’s engagement in sale and repurchase transactions

With a view to enhance income for the Sub-Fund, the investment strategy of the Sub-Fund will be amended with effect from 18 December 2023 (the “**Effective Date**”) to provide that the Sub-Fund may engage in sale and repurchase transactions for up to 25% of its Net Asset Value. Cash collateral obtained in sale and repurchase transactions will only be reinvested in bonds which are of good quality and sufficiently liquid consistent with the Sub-Fund’s investment objective and strategy, selected by the Manager at its discretion. Income can be enhanced through the interest income and capital gain generated from reinvesting the cash collateral into bonds.

The reinvestment of cash received by the Sub-Fund under sale and repurchase transactions together with the Sub-Fund’s net derivative exposure shall not in aggregate exceed 50% of the Sub-Fund’s Net Asset Value.

Details of the changes to the Sub-Fund’s investment strategy is set out in Appendix A to this notice.

Following the above changes, the Sub-Fund will be subject to additional risks in relation to sale and repurchase transactions. Details of the additional risks are set out in Appendix B to this notice.

B. Cost and expenses in respect of the Changes

The costs and expenses incurred in connection with the changes in Section A (such as legal costs and other administrative expenses), estimated to be approximately HKD 95,000, which represents around 0.04% of the Net Asset Value of the Sub-Fund as of 13 November 2023, will be borne by the Sub-Fund.

C. Amendments to the Offering Documents

The Explanatory Memorandum and the product key facts statement of the Sub-Fund will be amended to reflect the above changes, and other consequential, information or general updates.

D. Implications on unitholders

Saved as disclosed above, there will be no implications on the other features and risks applicable to the Sub-Fund or change in the operation and/or manner in which the Sub-Fund is being managed. There will be no change in the fee level/cost in managing the Sub-Fund. The above changes will not materially prejudice the interests of existing investors of the Sub-Fund.

If, as a consequence of the above changes, Unitholders do not wish to continue with their investments in the Sub-Fund, they may redeem their Units in the Sub-Fund or switch their holding in the Sub-Fund into Units of the same class and of the same currency of another sub-fund authorised by the Securities and Futures Commission (“SFC”)¹ of the Fund provided that such class is available and open for new subscription; Unitholders may do so free of charge² during the waiver period between 16 November 2023 and the last Dealing Day before the Effective Date, i.e. 18 December 2023, in accordance with the procedures set out in the Explanatory Memorandum.

E. Availability of documents

Copies of the Explanatory Memorandum and the product key facts statement of the Sub-Fund are available at the office of the Manager at 22/F, Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong during normal office hours (Monday to Friday (excluding public holidays), from 9:00a.m. to 6:00p.m.).

The Explanatory Memorandum and the product key facts statement of the Sub-Fund are also available online at <http://www.htisec.com/asm>³. This website has not been reviewed or authorised by the SFC. The updated Explanatory Memorandum and product key facts statement of the Sub-Fund reflecting the changes mentioned in Section A and B above will be available on or after the Effective Date.

F. Enquiries

If you have any queries or require further information in relation to any aspect of this notice, please contact the Manager at its Hong Kong office as stated above or our Customer Service Hotline at (852) 3588 7699.

Haitong International Asset Management (HK) Limited
as Manager of the Fund and the Sub-Fund

¹ SFC authorization is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

² Please note that although we will not impose any charges in respect of your redemption/switching instructions, your bank, distributor or financial adviser may charge you redemption/switching and/or transaction fees and may impose different dealing arrangements. You are advised to contact your bank, distributor or financial adviser should you have any questions.

³ This website has not been reviewed by the SFC.

Appendix A

The table below set out the extracts of investment objective and strategy in the Explanatory Memorandum before and after the changes.

| Before the Effective Date | From the Effective Date |
|--|--|
| <p>Investment Objective and Strategy</p> <p>...The Manager currently does not intend to enter into any securities financing transactions or similar over-the-counter transactions in respect of the Sub-Fund. The approval of the SFC will be sought and at least one month's prior notice will be given to Unitholders should there be a change in such intention.</p> | <p>Investment Objective and Strategy</p> <p>...The Sub-Fund may engage in sale and repurchase transactions for up to 25% of its Net Asset Value.</p> <p>Cash collateral obtained in sale and repurchase transactions will only be reinvested in bonds which are of good quality and sufficiently liquid consistent with the Sub-Fund's investment objective and strategy, selected by the Manager at its discretion. The associated risks would be properly mitigated and addressed by the Manager.</p> <p>The reinvestment of cash received by the Sub-Fund under sale and repurchase transactions together with the Sub-Fund's net derivative exposure shall not in aggregate exceed 50% of the Sub-Fund's Net Asset Value. ...</p> |

Appendix B

Risks relating to sale and repurchase transactions - In the event of the failure of the counterparty with which collateral has been placed, the Sub-Fund may suffer loss as there may be delays in recovering collateral placed out or the cash originally received may be less than the collateral placed with the counterparty due to inaccurate pricing of the collateral or market movements.

Cash collateral received from sale and repurchase transactions may be reinvested. If the Sub-Fund reinvests cash collateral, such re-investment is subject to investment risks including the potential loss of principal.