

**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 December 2023 (the “**Explanatory Memorandum**”).

28 October 2024

## 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. Change of name, investment objective and investment policy of the Sub-Fund**

Currently, the investment objective of the Sub-Fund is to achieve a high level of income and capital growth through investing primarily in a diversified portfolio of high yielding debt instruments traded or issued in Asia markets.

With a view to broaden the investment universe of the Sub-Fund and to reduce total credit risk of the Sub-Fund by reducing exposure to high yielding debt instruments (i.e. debt instruments which are unrated or rated below investment grade), the investment objective of the Sub-Fund will be amended with effect from 28 November 2024 (the “**Effective Date**”) to provide that the Sub-Fund will achieve a total return, consisting of interest income and capital growth, through investing primarily in Asian fixed income and debt instruments.

To align with the new investment objective, the investment policy of the Sub-Fund will be amended from the Effective Date. The table below shows the extracts of the investment policy that will be amended:-

<b>Prior to the Effective Date</b>	<b>From the Effective Date</b>
The Sub-Fund will invest primarily (i.e. at least 80% of its Net Asset Value) in a broad range of high yielding debt instruments including, but not limited to, government bonds, corporate bonds, and convertible bonds or other similar securities which are unrated or rated below investment grade by Fitch or Moody’s or Standard and Poor’s. The Sub-Fund may invest in bonds distributed or issued in Asia that are denominated in any currency.	The Sub-Fund will invest primarily (i.e. at least 70% of its Net Asset Value) in a broad range of Asian debt instruments including, but not limited to, government bonds, corporate bonds, and convertible bonds or other similar securities issued or guaranteed by Asian issuers. (i.e. issuers that are domiciled in or with revenue predominantly generated from Mainland China, Hong Kong, Macau, India, South Korea, Singapore, Indonesia, Taiwan

<p>The Sub-Fund may invest no more than 20% of its Net Asset Value in (i) debt instruments traded or issued in non-Asian markets and (ii) fixed income collective investment schemes.</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>(China) and/or any other Asian countries/regions). The Sub-Fund may therefore have significant exposure to Asian countries/regions which are emerging markets.</p> <p>The Sub-Fund may invest less than 50% of its Net Asset Value in debt instruments which are unrated or rated below investment grade (i.e. rated below BBB- by Fitch, below Baa3 by Moody's or below BBB- by Standard and Poor's).</p> <p>The Sub-Fund may invest no more than 30% of its Net Asset Value in (i) debt instruments traded or issued in non-Asian markets and (ii) fixed income collective investment schemes. The Sub-Fund may invest in debt instruments that are denominated in any currency.</p> <p>Cash collateral obtained in sale and repurchase transactions will only be reinvested in bonds which are of good quality (e.g. bonds assigned with investment grade rating) and sufficiently liquid (e.g. exchange-traded bonds) 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>
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As a result of the above changes, the Manager believes that there will be a decrease in the risk profile of the Sub-Fund since the Sub-Fund will reduce its investments in high yielding debt instruments (i.e. debt instruments which are unrated or rated below investment grade) from at least 80% of its Net Asset Value to less than 50%.

Accordingly, the Sub-Fund will be renamed as "Haitong Asian Total Return Bond Fund" from the Effective Date. The Trust Deed of the Fund will be amended by way of a Supplemental Trust Deed to reflect the change of name of the Sub-Fund.

**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) will be borne by the Manager of 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 rights or 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”)<sup>1</sup> of the Fund provided that such class is available and open for new subscription. Unitholders may do so free of charge<sup>2</sup> during the waiver period between 29 October 2024 and the last Dealing Day before the Effective Date, i.e. 27 November 2024, 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><sup>3</sup>. 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 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

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<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> This website has not been reviewed by the SFC.