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 RMB Investment Fund Series dated September 2021 (the "**Explanatory Memorandum**").

11 October 2023

NOTICE TO UNITHOLDERS

Dear Investors,

Haitong RMB Investment Fund Series (the "Fund")
- Haitong Global RMB Fixed Income 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-Funds.

A. <u>Updates in relation to the Sub-Fund's investment in onshore Chinese Income Instruments</u>

Currently, the Sub-Fund invests primarily in (i) fixed income and debt instruments; (ii) deposits; and (iii) collective investment schemes (collectively "**Income Instruments**") issued or distributed outside mainland China.

To broaden the investment universe of the Sub-Fund, with effect from 13 November 2023 ("**Effective Date**"), the Sub-Fund investment objective and strategy will be amended to provide that the Sub-Fund may invest in Income Instruments issued or distributed inside and/or outside China. .

In particular, the Sub-Fund may invest up to 100% of its Net Asset Value in investment in RMB denominated and settled debt instruments ("**PRC Debt Instruments**") listed or traded on the Shenzhen Stock Exchange or the Shanghai Stock Exchange or traded in the China interbank bond market ("**CIBM**"), collective investment schemes and deposits issued or listed within mainland China through the QFI status of the QFI Holder, which is the holding company of the Manager, or Bond Connect or CIBM Direct Access Regime[1] or other means as may be permitted by the relevant regulations from time to time. The Sub-Fund does not have any requirements on the minimum credit ratings of the PRC Debt Instruments it holds and may invest in PRC Debt Instruments which are below investment grade or which are unrated by a local credit rating agency recognised by the relevant authorities in the PRC. For this purpose, "investment grade" is defined as a credit rating of at least BBB- or equivalent as rated by a local credit rating agency recognised by the relevant authorities in the PRC. The Manager will firstly consider the credit rating of the PRC Debt Instrument and if it is not rated by a PRC local credit rating agency but its issuer has a credit rating, the issuer's credit rating will be adopted as the PRC Debt Instrument's implied rating. If neither the

[1] Since February 2016, the People's Bank of China has permitted foreign institutional investors to invest in CIBM subject to meeting any other rules and regulations as promulgated by Mainland China authorities.

PRC Debt Instrument nor its issuer has a credit rating, the PRC Debt Instrument is classified as "unrated".

Details of the changes to the Sub-Fund's investment objective and strategy are set out in Appendix A to this notice.

Following the above changes, the Sub-Fund will be subject to the following additional risks:

- China market risk / Single country investment risk
- PRC tax risk
- QFI risk
- PRC brokerage risk
- Risks associated with investing via CIBM Direct Access Regime and Bond Connect

Details of the above additional risks are set out in Appendix B to this notice.

B. 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 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. 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.

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.

C. Cost and expenses in respect of the Changes

The costs and expenses incurred in connection with the changes in Section A and B (such as legal costs and other administrative expenses), estimated to be approximately HKD 125,000, which represents around 0.06% of the Net Asset Value of the Sub-Fund as of 28 September 2023, will be borne by the Sub-Fund.

D. 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.

E. 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**")[2] of the Fund provided that such class is available and open for new subscription; Unitholders may do so free of charge[3] during the waiver period between 11 October 2023 and the last Dealing Day before the Effective Date, i.e. 10 November 2023, in accordance with the procedures set out in the Explanatory Memorandum.

F. 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[4]. 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.

G. 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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[2] 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.

[3] 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.

[4] 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. Deletions are shown as crossed out text and additions are shown as underlined text.

Until 10 November 2023	From 13 November 2023 (i.e. Effective Date)
Investment Objective and Strategy …The Sub-Fund seeks to invest in Income Instruments issued or distributed outside mainland China in the primary and secondary markets, some of which may be offered on a private placement basis. The Income Instruments that the Sub-Fund may invest in include, but are not limited to, bills, notes, bonds, floating rate notes, deposits, negotiated deposits, money market instruments, certificates of deposit, commercial paper, exchangeable bonds and convertible bonds issued by issuers such as governments, government agencies, supranational entities, corporations, financial institutions and banks. The issuers may or may not be domiciled in mainland China. For the avoidance of doubt, the Sub-Fund will not invest in any Income Instruments issued or distributed in mainland China through Qualified Foreign Investor regime or other available channels and mechanisms. The Sub-Fund seeks to invest primarily (i.e. at least 70% of its Net Asset Value) in Income Instruments (i) denominated in RMB and (ii) denominated in USD but are hedged back to RMB (collectively "**RMB Exposure Income Instruments**") which are issued or distributed outside mainland China. …The Sub-Fund's investment in debt securities is not subject to any credit rating requirements and the Sub-Fund may invest in debt securities which are rated below investment grade by internationally recognised credit agencies (e.g. Fitch or Moody's or Standard and Poor's) or unrated. The Sub-Fund will not invest more than 10% of its Net Asset Value in debt securities issued and/or guaranteed by a single sovereign issuer (including its government, a public or local	**Investment Objective and Strategy** … The Sub-Fund seeks to invest primarily (i.e. at least 70% of its Net Asset Value) in Income Instruments (i) denominated in RMB and (ii) denominated in USD but are hedged back to RMB (collectively "**RMB Exposure Income Instruments**") which are issued or distributed inside and/or outside mainland China in the primary and secondary markets, some of which may be offered on a private placement basis. The Income Instruments that the Sub-Fund may invest in include, but are not limited to, bills, notes, bonds, floating rate notes, deposits, negotiated deposits, money market instruments, certificates of deposit, commercial paper, exchangeable bonds and convertible bonds issued by issuers such as governments, government agencies, supranational entities, corporations, financial institutions and banks. The issuers may or may not be domiciled in mainland China. The Sub-Fund may invest up to 100% of its Net Asset Value in investment in RMB denominated and settled debt instruments ("**PRC Debt Instruments**") listed or traded on the Shenzhen Stock Exchange or the Shanghai Stock Exchange or traded in the China interbank bond market ("**CIBM**"), collective investment schemes and deposits issued or listed within mainland China through the QFI status of the QFI Holder, which is the holding company of the Manager, or Bond Connect /or CIBM Direct Access Regime or other means as may be permitted by the relevant regulations from time to time. … …The Sub-Fund's investment in debt instruments issued or distributed outside mainland China is not subject to any credit rating requirements and the Sub-Fund may invest in debt instruments which are rated below investment grade by internationally recognised credit agencies (e.g. Fitch or Moody's or Standard and Poor's) or unrated. The Sub-Fund

authority) which is rated below investment grade. 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. Prior approval will be sought from the SFC and at least one month's prior notice will be given to Unitholders should there be a change in such intention. …	does not have any requirements on the minimum credit ratings of the PRC Debt Instruments it holds and may invest in PRC Debt Instruments which are below investment grade or which are unrated by a local credit rating agency recognised by the relevant authorities in the PRC. For this purpose, "investment grade" is defined as a credit rating of at least BBB- or equivalent as rated by a local credit rating agency recognised by the relevant authorities in the PRC. The Manager will firstly consider the credit rating of the PRC Debt Instrument and if it is not rated by a PRC local credit rating agency but its issuer has a credit rating, the issuer's credit rating will be adopted as the PRC Debt Instrument's implied rating. If neither the PRC Debt Instrument nor its issuer has a credit rating, the PRC Debt Instrument is classified as "unrated". The Sub-Fund will not invest more than 10% of its Net Asset Value in debt instruments issued and/or guaranteed by a single sovereign issuer (including its government, a public or local authority) which is rated below investment grade. 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. The associated risks would be properly mitigated and addressed by the Manager. 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. …

Appendix B

China market risk / Single country investment risk – The Sub-Fund's investments are concentrated in securities related to the China market and may be subject to additional concentration risk. The value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments. The value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the China market.

Investment in the China market (which is an emerging market) involves increased risks and special consideration not typically associated with investment in more developed markets such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a higher degree of volatility.

***PRC tax risk* -** There are risks and uncertainties associated with the current PRC tax laws, regulations in respect of capital gains realised via QFI regime or PRC onshore bonds on the Sub-Fund's investments in the PRC (which may have retrospective effect). Any increased tax liabilities on the Sub-Fund may adversely affect the Sub-Fund's Net Asset Value.

Based on professional and independent tax advice, the Sub-Fund will make tax provisions on interest income from non-government bonds (i.e. at a rate of 10% for withholding income tax and a rate of 6.72% for value-added tax and local surcharges) except interest income from investments in PRC onshore bonds received for the period from 7 November 2018 to 31 December 2025.

Any shortfall between the provision and the actual tax liabilities, which will be debited from the Sub-Fund's assets, will adversely affect the Sub-Fund's Net Asset Value. The actual tax liabilities may be lower than the tax provision made. Depending on the timing of their subscriptions and/or redemptions, investors may be disadvantaged as a result of any shortfall of tax provision and will not have the right to claim any part of the overprovision (as the case may be).

QFI risk – The Sub-Fund's ability to make investment in securities through a QFI or to fully implement or pursue its investment objective and strategy is subject to the applicable laws, rules and regulations imposed by the PRC authorities, and may be subject to liquidity risk. Although repatriations by QFIs in respect of the Sub-Fund are currently not subject to any lock-up periods, prior approval, or other repatriation restrictions, there is no assurance that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Any restrictions on repatriation of the invested capital and net profits may impact on the Sub-Fund's ability to meet redemption requests from the Unitholders.

The applicable QFI laws, rules and regulations (including restrictions on investments and repatriation of principal and profits) are subject to frequent changes which may have potential retrospective effect and their application may depend on the interpretation of the Chinese authorities. Any changes to the relevant rules may have an adverse impact on investors' investment in the Sub-Fund.

There is no assurance that a QFI will continue to maintain its QFI status. In extreme circumstances, the Sub-Fund may incur significant losses if the approval of the QFI is being revoked/terminated or otherwise invalidated as the Sub-Fund may be prohibited from trading of relevant securities and repatriation of the Sub-Fund's monies, or if any of the key operators or parties (including the QFI Custodian) is bankrupt/in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities), or due to limited investment capabilities, illiquidity of Chinese domestic market, and/or delay or disruption in execution of trades or in settlement of trades.

PRC brokerage risk – The execution and settlement of transactions or the transfer of any funds or securities may be conducted by brokers ("**PRC Brokers**") appointed by the QFI (in conjunction with the Manager). There is a risk that the Sub-Fund may suffer losses from the default, bankruptcy or disqualification of the PRC Brokers. In such event, the Sub-Fund may be adversely affected in the execution or settlement of any transaction or in the transfer of any funds or securities.

In selection of PRC Brokers, the QFI (in conjunction with the Manager) will have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards. If the QFI (in conjunction with the Manager) considers appropriate, it is possible that a single PRC Broker will be appointed and the Sub-Fund may not necessarily pay the lowest commission available in the market.

***Risks associated with investing via CIBM Direct Access Regime and Bond Connect* –** The Sub-Fund may invest in PRC Debt Instruments via CIBM Direct Access Regime and Bond Connect. CIBM may have low trading volume of certain debt securities which may result in market volatility and potential lack of liquidity. The Sub-Fund may also be exposed to risks associated with settlement procedures and default of counterparties.

The CIBM is subject to regulatory risks and the relevant rules and regulations on investment in the CIBM is subject to change which may have potential retrospective effect.

For investments via the CIBM Direct Access Regime, since trading is via an onshore settlement agent, the Sub-Fund is subject to counterparty risks of the onshore settlement agent. For investments via either the CIBM Direct Access Regime or Bond Connect, since relevant filings, registration with PBOC and account opening has to be carried out by other third parties (e.g. settlement agent, offshore custody agent, registration agent, etc.) then the Sub-Fund is subject to the risks of errors on their part.

***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.