

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 2021, as amended and supplemented from time to time (the “**Explanatory Memorandum**”).

14 April 2022

NOTICE TO UNITHOLDERS

Dear Investors,

Haitong Investment Fund Series (the “Fund”)

- Haitong Korea Equity Investment Fund (the “Sub-Fund”)

We are writing to inform you of the Manager’s decision to terminate the Sub-Fund, a sub-fund of the Fund. Further details are set out below.

Termination of the Sub-Fund

Reasons for the termination of the Sub-Fund

Pursuant to Clause 28.3(b) of the Fund’s Trust Deed, and as disclosed in the sub-section “Termination of Fund or a Sub-Fund” in the section “General Information” of the Explanatory Memorandum, the Manager may in its discretion cause any sub-fund (including the Sub-Fund) to be terminated if in the opinion of the Manager, it is impracticable or inadvisable to continue such sub-fund (including without limitation, a situation where it is no longer economically viable to operate the sub-fund). Upon continuous review of several months, the Manager has formed an opinion that it is no longer economically viable to operate the Sub-Fund. The Manager believes that it would be in the best interest of the Unitholders to terminate the Sub-Fund on 14 May 2022 (“**Termination Date**”).

Asset size / expenses ratio of the Sub-Fund

As at 11 April 2022, the Net Asset Value of the Sub-Fund was approximately USD14 Million. There are two classes in issue for the Sub-Fund (namely, Class I (HKD)¹ and Class I (USD)¹) and the total expense ratio of both classes was 1.83% as at 31 December 2021. The total expense ratio represents an annualised figure based on the total expenses and fees (excluding transaction costs) as a percentage of the class’s average Net Asset Value for the period from 4 January 2021 to 31 December 2021.

Termination and operation expenses

All costs and expenses relating to the termination of the Sub-Fund and the withdrawal of SFC authorization of the Sub-Fund after termination of the Sub-Fund (e.g. transaction costs, administration costs, fees for termination audit and legal services, etc.) will be borne by the Manager.

¹ These classes are not available to retail investors in Hong Kong.

There are no unamortized preliminary expenses or any contingent liability upon or around termination of the Sub-Fund.

From the date of this Notice, the Sub-Fund will not accept further or new subscription from any investors in Hong Kong and we will no longer market the Sub-Fund to the public in Hong Kong. Therefore, no additional Units of the Sub-Fund will be issued.

We will apply to the Hong Kong Securities and Futures Commission (the “SFC”) for the withdrawal of authorization of the Sub-Fund immediately following the termination of the Sub-Fund.

Free Redemption and Conversion

You may redeem your Units in the Sub-Fund, or convert your Units in the Sub-Fund to another sub-fund of the Fund on any Redemption Day during the period from the date of this Notice until 5:00p.m. (Hong Kong time) on 14 May 2022, free of any redemption charge or switching fee, in accordance with the procedures set out in the Explanatory Memorandum. Before investing in another sub-fund of the Fund, please ensure that you have read and understood the investment objective, policies and fees applicable to the relevant sub-fund as described in the Explanatory Memorandum and the relevant product key facts statement(s).

You may refer to the latest Explanatory Memorandum and the relevant product key facts statement(s) of other sub-funds of the Fund, which are available at the office of the Manager and on the Manager’s website at <http://www.htisec.com/asm>. Please note that the website has not been reviewed by the SFC. For further details in relation to the procedures for redemption or conversion of Units, please refer to the sections headed “REDEMPTION OF UNITS” and “CONVERSION” in the Explanatory Memorandum.

Compulsory Redemption on the Termination Date

All Units in the Sub-Fund remaining in issue on the Termination Date will be compulsorily redeemed at the Redemption Price applicable as at the Termination Date, free of any redemption charge in accordance with Clause 28.8 of the Trust Deed. The Manager will realise the underlying investments of the Sub-Fund to satisfy the final compulsory redemption in accordance with Clause 28.8 of the Trust Deed.

In respect of Units that are compulsorily redeemed as mentioned above, redemption proceeds would be paid within 4 Business Days after the Termination Date, on a pro-rata basis in accordance with the number of Units held as at the Termination Date. If exceptional circumstances arise whereby the redemption proceeds in respect of the final compulsory redemption cannot be paid to Unitholders within 4 Business Days after the Termination Date, Unitholders will be notified as to when the redemption proceeds will be paid and in any event redemption proceeds will be paid within one calendar month after the Termination Date. Otherwise, no further notice will be given to Unitholders whose Units are compulsorily redeemed for the final compulsory redemption.

Tax implications

Unitholders should note that under the current law and practice in Hong Kong, the Fund and the Sub-Fund are not expected to be subject to Hong Kong tax in respect of any of the authorised activities.

No tax will be payable by the Unitholders in Hong Kong in respect of dividends or other income distributions of the Fund or the Sub-Fund or in respect of any capital gains arising on a sale, redemption, conversion or other disposal of Units, except that Hong Kong profits tax may arise where such transactions form part of a trade, profession or business carried on in Hong Kong.

Unitholders should consult their own professional advisers on the potential taxation consequences of their transferring, selling, redemption, conversion or otherwise disposing of the Units in the Sub-Fund.

Documents and enquiries

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>. This website has not been reviewed or authorised by the SFC.

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