

29 May 2025

- *This statement provides you with key information about this product.*
- *This statement is a part of the offering document and must be read in conjunction with the Explanatory Memorandum of Huatai Global Investment Fund (“Explanatory Memorandum”).*
- *You should not invest in this product based on this statement alone.*

Quick facts

Fund Manager: Huatai Financial Holdings (Hong Kong) Limited (the “**Manager**”)

Trustee: Bank of Communications Trustee Limited

Ongoing charges over a year:

Class A USD Units: 1.68%[#]
Class I USD Units: 1.08%[#]
Class S USD Units: 0.68%[#]
Class A HKD Units: 1.68%[#]
Class I HKD Units: 1.08%[#]
Class S HKD Units: 0.68%[#]

[#] As the Sub-Fund is newly set up, the figure is an estimate only and represents the sum of the estimated ongoing expenses chargeable to the relevant unit class expressed as a percentage of the estimated average net asset value of the relevant unit class over a 12-month period. The actual figure may be different from this figure and may vary from year to year.

Dealing frequency: Daily

Base currency: USD

Distribution policy: Accumulation Classes (Class A USD Units, Class I USD Units, Class S USD Units, Class A HKD Units, Class I HKD Units and Class S HKD Units)

No dividends will be declared or distributed.

Financial year-end of the Sub-Fund: 31 December

Minimum investment:

Class	Initial	Additional
Class A USD	USD100	USD100
Class I USD	USD1,000,000	USD100,000
Class S USD	USD100	USD100
Class A HKD	HKD100	HKD100
Class I HKD	HKD8,000,000	HKD800,000
Class S HKD	HKD100	HKD100

What is this product?

- Huatai US Select Fund is a sub-fund of Huatai Global Investment Fund, a Hong Kong domiciled umbrella structure unit trust. It is governed by the laws of Hong Kong.

Objectives and Investment Strategy

Investment Objective

The Sub-Fund's objective is to seek sustainable and stable capital gains over a medium-to-long term through investing primarily in a portfolio of equity and equity-related securities listed in the stock markets in the United States.

Investment Strategy

A. Primary Investment

The Sub-Fund may invest at least 70% of its net asset value in equity and equity-related securities denominated in USD which are listed in the stock markets in the United States. To achieve the exposure, the Sub-Fund may directly invest up to 100% of its net asset value in equity securities (including, but are not limited to, stocks) and equity-related securities (including, but are not limited to, equity-based Qualified Exchange Traded Funds¹ ("**Qualified ETFs**"), i.e. Qualified ETFs which primarily invest in equity securities), that are denominated in USD and listed in the stock markets in the United States. The Sub-Fund may also invest less than 30% of its net asset value in equity-based underlying collective investment schemes (other than Qualified ETFs) whose investment objectives are not to invest in other underlying collective investment schemes to gain indirect exposure to USD-denominated stocks listed in the United States.

Subject to the above, the Sub-Fund is not subject to any limitation on the portion of its net asset value that may be invested in any one country and/or region, nor is it subject to any limitation on the industry and/or market capitalisation of issuers. The Sub-Fund will not invest in leveraged / inverse ETFs, commodities / synthetic ETFs, crypto ETFs, private equity ETFs or real estate ETFs.

When considering investment in a passively managed underlying scheme, the primary criteria which the Manager takes into consideration when measuring performance are whether the underlying scheme offers a lower tracking error and/or higher liquidity, etc. than those of peer schemes.

The Sub-Fund may invest in underlying schemes which are also managed by the Manager or its connected persons (as defined in the Explanatory Memorandum) and/or third parties. Where the underlying schemes are managed by the Manager or its connected persons, all initial charges and redemption charges on the underlying schemes must be waived. In addition, the Manager may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company, or any quantifiable monetary benefits in connection with investments in any underlying scheme.

B. Ancillary Investments

In normal circumstances, the Sub-Fund may have exposure of less than 30% of its net asset value to stocks listed in stock markets other than those in the United States (directly or indirectly through investments in underlying collective

¹ Qualified Exchange Traded Funds are defined in the Explanatory Memorandum to mean exchange traded funds that are:

(a) authorized by the SFC under 8.6 or 8.10 of the Code on Unit Trusts and Mutual Funds (the "**Code**"), or

(b) listed and regularly traded on internationally recognized stock exchanges open to the public (nominal listing not accepted) and either (i) the principal objective of which is to track, replicate or correspond to a financial index or benchmark, which complies with the applicable requirements under 8.6 of the Code; or (ii) the investment objective, policy, underlying investments and product features of which are substantially in line with or comparable with those set out under 8.10 of the Code.

Investments in Qualified Exchange Traded Funds are considered and treated as listed securities for the purposes of and subject to the requirements in Chapters 7.1, 7.1A and 7.2 of the Code.

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investment schemes), ETFs which are listed in stock markets other than those in the United States (including money market ETFs), cash and money market instruments.

Under exceptional circumstances (such as a prolonged bearish market with market volatilities rising, deteriorating sentiments or rapidly worsening economic fundamentals), the Sub-Fund may hold temporarily up to 100% of its net asset value in cash and cash equivalents (e.g. deposit, certificates of deposit, commercial paper and treasury bills) or money market funds for cash flow management in order to defend against market turmoil and to capture future investment opportunities as and when they arise.

The Manager does not intend to enter into any securities lending, sale and repurchase transactions and/or reverse repurchase transactions in respect of the Sub-Fund.

The Sub-Fund may use financial derivative instruments (including but not limited to, interest rate swaps, futures, credit derivatives, forward contracts and options) for hedging purposes only.

Use of derivatives / investment in derivatives

The Sub-Fund's net derivative exposure may be up to 50% of its net asset value.

What are the key risks?

Investment involves risks. Please refer to the Explanatory Memorandum for details including the risk factors.

1. Investment risk

- The Sub-Fund is an investment fund and not a bank deposit. The Sub-Fund may fall in value due to any of the key risk factors below and therefore investors may suffer losses. There is no guarantee of repayment of capital.

2. Currency and foreign exchange risk

- Certain investments acquired by the Sub-Fund are denominated in currency(ies) (such as HKD, GBP and/or Euro) different from the base currency. Also, a class of units may be designated in a currency other than the base currency of the Sub-Fund or the currency of its underlying investments. The net asset value of the Sub-Fund may be affected unfavourably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate control.

3. Equity market risk

- The Sub-Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors.

4. Concentration risk

- The Sub-Fund's investments are concentrated in the United States. The Sub-Fund is therefore likely to be more volatile than a broad-based fund that adopts a more diversified strategy.
- 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 United States markets.

5. Risk of investing in ETFs

- The units/shares of the ETFs in which the Sub-Fund may invest may be traded at a substantial premium or discount to their net asset value, which may in turn affect the net asset value of the Sub-Fund. The valuation

of units in an ETF will primarily be made by reference to the last traded price. Where the Sub-Fund buys at a premium, it may not fully recover its investment in the event of termination of the ETF and it may suffer losses.

- An underlying ETF may be passively managed and the manager of the relevant ETF will not have the discretion to adapt to market changes. Falls in the underlying index of the relevant ETF are expected to result in corresponding falls in value of the relevant ETF and the Sub-Fund.
- An underlying ETF may be subject to tracking error risk, which is the risk that its performance may not track that of the index exactly.
- An underlying ETF may be terminated early under certain circumstances, for example, where the index is no longer available for benchmarking. The Sub-Fund may not be able to recover their investments and may suffer a loss when the ETF is terminated.

6. Risk of investing in other underlying schemes

- The Sub-Fund may invest in units or shares in other underlying collective investment schemes. The underlying schemes in which the Sub-Fund may invest may not be regulated by the SFC. There may be additional costs involved when investing into these underlying schemes. There is also no guarantee that the underlying schemes will always have sufficient liquidity to meet the Sub-Fund's redemption requests as and when made.
- The Sub-Fund may also be subject to the risks associated with the underlying schemes. The Sub-Fund does not have control of the investments of the underlying schemes and there is no assurance that the investment objective and strategy of the underlying schemes will be successfully achieved which may have a negative impact to the net asset value of the Sub-Fund.

7. Risk associated with small-capitalisation / mid-capitalisation companies

- The stocks of small-capitalisation/ mid-capitalisation companies may have lower liquidity and their prices are more volatile and susceptible to adverse economic developments than those of larger capitalisation companies in general.

8. Hedging risk and risks associated with the use of financial derivative instruments

- The Sub-Fund may acquire financial derivatives instruments for hedging and in adverse situations, such hedging may become ineffective and the Sub-Fund may suffer significant losses. The price of a derivative instrument can be very volatile which may result in losses in excess of the amount invested in the derivative instruments by the Sub-Fund. A derivative instrument is subject to the risk that the counterparty of the instrument will not fulfil its obligations to the Sub-Fund. In addition, the risks associated with derivative instruments include credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of derivative instruments can result in a loss significantly greater than the amount invested in the derivative instruments by the Sub-Fund. Exposure to derivative instruments may lead to a high risk of significant loss by the Sub-Fund.

How has the Sub-Fund performed?

As the Sub-Fund is newly established, there is insufficient data to provide a useful indication of past performance to investors.

Is there any guarantee?

The Sub-Fund does not have any guarantees. You may not get back the full amount of money you invest.

What are the fees and charges?

Charges which may be payable by you

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You may have to pay the following fees when dealing in the units of the Sub-Fund.

Fee	What you pay
Subscription fee	Up to 3% of the amount subscribed
Switching fee	Up to 1% of the total amount being converted (current level at 0%)
Redemption fee	None

Ongoing fees payable by the Sub-Fund

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

Fee	Annual rate (as a % of the Sub-Fund's net asset value)
Management fee*	Class A USD Units: up to 2% p.a., currently 1.2% p.a. Class I USD Units: up to 1% p.a., currently 0.6% p.a. Class S USD Units: up to 0.5% p.a., currently 0.2% p.a. Class A HKD Units: up to 2% p.a., currently 1.2% p.a. Class I HKD Units: up to 1% p.a., currently 0.6% p.a. Class S HKD Units: up to 0.5% p.a., currently 0.2% p.a.
Trustee fee	0.07% p.a. (subject to a minimum monthly fee of USD3,500 (or equivalent) after six months from the launch of the Sub-Fund)
Performance fee	Not applicable
Administration fee	Included in the trustee fee

* You should note that the management fee might be increased up to the specified permitted maximum level by providing not less than one month's prior notice to unitholders.

Other fees

You may have to pay other fees when dealing in the units of the Sub-Fund.

Additional Information

- You generally buy and redeem units at the Sub-Fund's next determined net asset value (NAV) after the Processing Agent (i.e., Bank of Communications Trustee Limited) receives your request in good order on or before 5:00 p.m. (Hong Kong time), being the dealing cut-off time. Different distributors may impose different dealing deadlines for receiving requests from investors.
- The net asset value is calculated and the price of units is published each business day. Unit prices of the Sub-Fund will be published on <https://am.htsc.com.hk/>².

Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.

² The website has not been reviewed by the SFC.