PRODUCT KEY FACTS

E FUND SICAV
E Fund (HK) Greater China Quality Growth Fund
February 2022

Issuer: E Fund Management (Hong Kong) Co., Limited

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***

Quick facts

Management Company:	Lemanik Asset Management S.A.	
Investment Manager:	E Fund Management (Hong Kong) Co., Limited (External delegation, Hong Kong)	
Depositary:	HSBC Continental Europe, Luxembourg	
Ongoing charges over a year:	# ^Class A USD Shares:	3 %
	# ^Class A EUR Shares:	3 %
	## ^Class A HKD Shares:	3 %
Dealing frequency:	Daily (any Business Day (as defined in the Prospectus))	
Base currency:	United States Dollars (USD)	
Dividend policy:	No distributions to Shareholders.	
Financial year end of this fund:	31 December	
Minimum initial investment:	Class A USD Shares:	USD2,000
	Class A EUR Shares:	EUR2,000
	Class A HKD Shares:	HKD20,000
Minimum subsequent investment:	Class A USD Shares:	USD1,000
	Class A EUR Shares:	EUR1,000
	Class A HKD Shares:	HKD10,000
Minimum holding:	Class A USD Shares:	USD2,000
	Class A EUR Shares:	EUR2,000
	Class A HKD Shares:	HKD20,000

The ongoing charges figure is based on the expenses for the year ended 31 December 2020, expressed as a percentage of the average Net Asset Value ("NAV") over the same period, subject to a cap (as explained below). The ongoing charges figure may vary from year to year.

As Class A HKD is newly set up, the ongoing charges figure is a best estimate only and represents the sum of estimated ongoing charges over a 12-month period, expressed as a percentage of the estimated average

NAV over the same period, subject to a cap (as explained below). The ongoing charges figure may be different upon actual operation of Class A HKD Shares and may vary from year to year.

^ The ongoing charges figure for the respective classes will be capped at 3.00% of the average NAV of the relevant classes of shares (“Capped Figure”). Any ongoing charges in excess of the Capped Figure will be borne by the Investment Manager and will not be charged to the Sub-Fund. It is possible that the actual ongoing charges figure is lower than the Capped Figure and the actual ongoing charges figure will be charged in this circumstance.

What is this product?

The E Fund (HK) Greater China Quality Growth Fund (the “Sub-Fund”) is a sub-fund of E Fund SICAV constituted as an open-ended investment fund in the form of a Luxembourg *société d’Investissement à capital variable* (the “Company”). It is a UCITS fund and is domiciled in Luxembourg and its home regulator is the *Commission de Surveillance du Secteur Financier*.

Objectives and investment strategy

Objective

The Sub-Fund seeks to achieve quality growth (i.e. capital appreciation and income generation) by investing primarily in equity securities issued by issuers based in, or having a significant exposure to, the PRC and Hong Kong. There can be no assurance that the Sub-Fund will achieve its investment objective.

Strategy

Investment Strategy

The Sub-Fund will invest primarily (at least 70% of its NAV) in a combination of (i) China A-Shares listed on the Shanghai Stock Exchange (“SSE”) (including the STAR Board) or the Shenzhen Stock Exchange (“SZSE”) (including the ChiNext market), (ii) PRC open-ended collective investment schemes in China A-Shares referred to in (i) (“China A-Shares Funds”), approved by the CSRC and offered to the public in the PRC (up to 10% of its NAV), (iii) China B-Shares (listed on the SSE or SZSE and traded in USD or in HKD) as well as (iv) equity securities listed on the Hong Kong, Taiwan and Singapore Stock Exchanges whose issuers are based in, or have a significant exposure to, the PRC and Hong Kong. The Sub-Fund may invest up to 100% of its NAV in stocks of small-capitalisation/mid-capitalisation companies.

The Sub-Fund may also invest up to 100% of its NAV in American depository receipts ("ADRs") and global depository receipts ("GDRs") to gain exposure to the above equity securities instead of investing directly therein in circumstances where, due to local restrictions or quota limitations, it is not possible to hold these directly or where it is otherwise advantageous to the Sub-Fund to do so.

The Sub-Fund will use Stock Connect and the Investment Manager’s Qualified Foreign Investor (“QFI”) status in order to invest in securities referred to in (i) above; and the QFI to invest in securities referred to in (ii) above. Investments via QFI will be lower than 70% of the NAV the Sub-Fund.

Other than the equity securities referred to in (iv) of the first paragraph under “Investment Strategy”, the Sub-Fund will also invest on an ancillary basis in equities of companies listed on stocks exchanges of the United States or any Regulated Markets or Other Regulated Markets (as defined in the Prospectus), which have their registered offices located in the PRC or Hong Kong and companies which do not have their registered offices in the PRC or Hong Kong but either (i) carry out a predominant proportion of their business activities in these markets, or (ii) are holding companies which predominantly own companies with registered offices in the PRC or Hong Kong.

The Sub-Fund may also invest no more than 30% of its assets in other eligible investment instruments, including convertible bonds having as underlying, or investing in, China A-Shares (which may consist of China A-Shares listed on the ChiNext market and/or STAR Board). The Sub-Fund may also invest, on an ancillary basis, in units or shares of collective investment schemes domiciled in Hong Kong, Luxembourg or the United States for cash management purpose. Investment in such collective investment schemes, together with investments in China A-Shares Funds, shall not in aggregate exceed 10% of the NAV of the Sub-Fund.

In times of extreme volatility of the markets or during severe adverse market conditions, the Investment Manager may hold a substantial portion of the Sub-Fund’s assets in cash or cash equivalents, or invest in short-term money market instruments to preserve the value of the assets in the investment portfolio of the Sub-Fund.

The Sub-Fund may also invest in financial derivatives instruments ("FDIs") including futures, swaps and forwards for hedging and efficient portfolio management purposes. The Sub-Fund may also enter into China A-Shares index futures traded outside of the PRC for hedging and/or investment purposes.

The Sub-Fund will not enter into (i) repurchase or reverse repurchase agreements, (ii) securities or commodities lending and securities and commodities borrowings, (iii) buy-sell back transactions or sell-buy back transactions, (iv) margin lending transactions and (v) total return swaps. If any of this changes in the future, prior approval of the SFC will be sought (if required) and not less than one month's notice will be provided to Shareholders before the Sub-Fund enters into any such transaction.

Use of derivatives / Investment in derivatives

The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's NAV.

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's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.

2. 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.

3. Risks associated with small-capitalisation/mid-capitalisation companies

- The Sub-Fund may invest up to 100% of its NAV in stocks of small-capitalisation/mid-capitalisation companies. The stocks of small-capitalisation/mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

4. Risks associated with ADRs and GDRs

- Exposure to ADRs and GDRs may generate additional risks compared to a direct exposure to the corresponding underlying stocks. There could be a risk that underlying shares would not be attributed to holders of ADRs/GDRs in case of bankruptcy of the depositary bank.
- Fees related to ADRs/GDRs may impact their performance. Also, holders of ADRs/GDRs are not direct shareholders of the underlying company and generally do not have voting and other shareholder rights. The Sub-Fund may also be subject to liquidity risk.

5. Concentration risk / Mainland Chinese market risk

- The concentration of investments in PRC and Hong Kong-related securities and the Mainland Chinese and Hong Kong markets may subject the Sub-Fund to greater volatility than portfolios which comprise broad-based global 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 Mainland China and Hong Kong markets and the value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments. Please also see "Emerging markets risk" below.

6. Emerging markets risk

- The Sub-Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risk, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.

7. Risks relating to China A-Shares

- The price at which securities may be purchased or sold by the Sub-Fund and the NAV of the Sub-Fund may be adversely affected if trading markets for A-Shares are limited or absent. Given that the A-Share market may be more volatile and unstable (with the risk of suspension of a particular stock or government intervention) than other more developed markets, such market volatility and potential settlement difficulties in the A-Share market may result in significant fluctuations in the prices of the securities traded on the A-

Share market and thereby may adversely affect the Sub-Fund.

- The Chinese government or the regulators in China may also implement policies from time to time that may affect the financial markets. Such policies, if implemented, may have a negative impact on the Sub-Fund.

8. Risks associated with ChiNext market and/or STAR Board

- *Higher fluctuation on stock prices and liquidity risk*: Listed companies on the ChiNext market and/or STAR Board are usually of emerging nature with smaller operating scale. Listed companies on the ChiNext market and STAR Board are subject to wider price fluctuation limits, and due to higher entry thresholds for investors may have limited liquidity, compared to the other boards of the SSE and the SZSE. Hence, companies listed on these boards are subject to higher fluctuation in stock prices and liquidity risks and have higher risks and turnover ratios than companies listed on the main boards of the SSE and the SZSE.
- *Over valuation risk*: Stocks listed on the ChiNext and/or STAR Board may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.
- *Differences in regulation:* The rules and regulations regarding companies listed on the ChiNext market and STAR Board are less stringent in terms of profitability and share capital than those in the main boards of the SSE and the SZSE.
- *Delisting risk*: It may be more common and faster for companies listed on the ChiNext market and/or STAR Board to delist. The ChiNext market and STAR Board have stricter criteria for delisting compared to main boards of the SSE and the SZSE. This may have an adverse impact on the Sub-Fund if the companies that it invests in are delisted.
- *Concentration risk:* The STAR Board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in the STAR Board may be concentrated in a small number of stocks and subject the Sub-Fund to higher concentration risk.
- Investments in the ChiNext market and/or STAR Board may result in significant losses for the Sub-Fund and its investors.

9. Currency risk and risks related to RMB

- Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund, including the RMB. Also, a class of Shares may be designated in a currency other than the base currency of the Sub-Fund. The NAV 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 controls.
- RMB is currently not freely convertible and is subject to exchange controls and restrictions. Investors are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the base currency of the Sub-Fund or other currencies will not depreciate. Any depreciation of RMB could adversely affect the value of investor’s investment in the Sub-Fund.
- Although offshore RMB (CNH) and onshore RMB (CNY) are the same currency, they trade at different rates. Any divergence between CNH and CNY may adversely impact investors.

10. PRC tax risk

- There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of capital gains realised by a foreign investor on its investments in Mainland China via the QFI and Stock Connect programmes (which may have retrospective effect). Any increased tax liabilities on the Sub-Fund may adversely affect the Sub-Fund’s value.
- Having considered independent professional tax advice and in accordance with such advice, the Investment Manager determined that (i) the Sub-Fund will make relevant provision of 10% on dividend and distribution income from PRC securities if PRC corporate income tax (“CIT”) is not withheld at source at the time when such income is received (where CIT is already withheld at source, no provision will be made); and (ii) no withholding provision will be made on the gross unrealised and realised capital gains derived from disposal of PRC securities. In the event that actual tax is levied on such capital gains from disposal of PRC securities, the NAV of the Sub-Fund may be lowered as the Sub-Fund will ultimately have to bear the full amount of tax liabilities.

11. Risks associated with the Stock Connect

- The relevant rules and regulations on Stock Connect are subject to change which may have potential retrospective effect. The Stock Connect is subject to quota limitations. Where a suspension in the trading through the programme is effected, the Sub-Fund’s ability to invest in China A-Shares or access the

Mainland Chinese market through the programme will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective could be negatively affected.

12. QFI risk

- The Sub-Fund's ability to make the relevant investments or to fully implement or pursue its investment objective and strategy is subject to the applicable laws, rules and regulations (including restrictions on investments and repatriation of principal and profits) in Mainland China, which are subject to change and may have retrospective effect.
- The Sub-Fund may suffer substantial losses if the approval of the QFI status 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 QFI custodian/brokers) 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).

13. Risk associated with investing in other funds

- The underlying fund in which the Sub-Fund may invest may not be regulated by the SFC. There will be additional costs involved when investing into underlying funds. There is also no guarantee that the underlying funds will always have sufficient liquidity to meet the Sub-Fund's redemption requests as and when made. There can also be no assurance that an underlying fund's investment strategy will be successful or that its investment objective will be achieved.
- Conflicts of interests may arise in a situation where the Sub-Fund invests in other funds managed by the Management Company, the Investment Manager, or its connected persons (despite that all initial charges and redemption charges, and, where the underlying fund is managed by the Management Company or the Investment Manager, all management fees and performance fees, on the underlying fund will be waived and that the Management Company, the Investment Manager, or any person acting on behalf of the Sub-Fund, the Management Company or the Investment Manager, must not obtain rebate of any fees or charges levied by these underlying funds or their managers, or any quantifiable monetary benefits in connection with investments in any underlying funds). The Investment Manager will use its best endeavours to avoid and resolve such conflicts fairly.

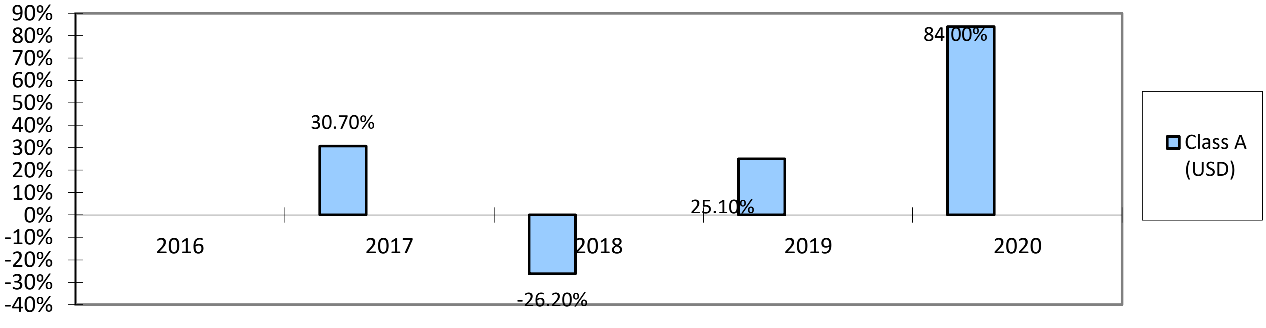
14. Risks of investment in convertible bonds

- Convertible bonds are a hybrid between debt and equity, permitting holders to convert into shares in the company issuing the bond at a specified future date. As such, convertibles will be exposed to equity movement and greater volatility than straight bond investments. Investments in convertible bonds are subject to the same interest rate risk, credit risk, liquidity risk and prepayment risk associated with comparable straight bond investments.

15. Risks associated with investments in FDIs

- Risks associated with FDI include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of an FDI can result in a loss significantly greater than the amount invested in the FDI by the fund. Exposure to FDI may lead to a high risk of significant loss by the Sub-Fund.

How has the fund performed?



- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested.

- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- Sub-Fund launch date: 2016.
- Class A USD launch date: November 2016
- The Investment Manager views Class A USD, being the retail class denominated in the Sub-Fund's base currency, as the most appropriate representative class.

Is there any guarantee?

This 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

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

Fee	What you pay
Subscription fee	Up to 5% of the Issue Price for Class A Shares
Switching fee (i.e. conversion fee)	Up to 1% for Class A Shares, based on gross amount being converted
Redemption fee	Up to 2% of the NAV of the Class A Shares redeemed within 1 year following subscription; Nil after 1 year following subscription

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 NAV)
Management fee	Payable to the Management Company: 0.05% (up to EUR 500 million under management); 0.04% (over EUR 500 million under management), with a minimum monthly fee of EUR 2,000 The yearly minimum fee is EUR 20,000 until 31 May 2022, and EUR 24,000 from 1 June 2022 onwards. Payable to the Investment Manager: up to 1.5%* for Class A Shares
Performance fee	Nil
Depositary fee	Up to 0.09%
Administration fee	Up to 0.0375%

Other fees

The Sub-Fund may have to pay other fees when dealing in the investments of the Sub-Fund.

* You should note that some fees may be increased, up to a specified permitted maximum, by giving affected Shareholders at least one month's prior notice. For details please refer to the section headed "Expenses and Charges" in the Explanatory Memorandum.

Additional information

- You generally buy and redeem Shares at the Sub-Fund's NAV which is determined on the dealing day on which your request is received in good order at or before 4:00 p.m. (Hong Kong time) on the relevant Dealing Day, being the Sub-Fund's dealing cut-off time. Before placing your subscription orders or redemption request, please check with your distributor for the distributor's internal dealing cut-off time (which may be earlier than the Sub-Fund's dealing cut-off time).

- The Sub-Fund's NAV and the latest issue and redemption prices of Shares are available on the Manager's website http://www.efunds.com.hk (this website has not been reviewed by the SFC) on each Dealing Day.
- Investors may obtain the past performance information of other classes offered to Hong Kong investors from http://www.efunds.com.hk (this website has not been reviewed by the SFC).

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.