

**IMPORTANT:** THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.

Each of The Stock Exchange of Hong Kong Limited, Hong Kong Exchanges and Clearing Limited ("HKEX"), Hong Kong Securities Clearing Company Limited and the Securities and Futures Commission (the "SFC") takes no responsibility for the contents of this Announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Announcement. The Manager accepts full responsibility for the accuracy of the information contained in this Announcement as at the date of publication, and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief, as at the date of publication, opinions expressed in this Announcement have been arrived at after due and careful consideration. SFC authorisation is not a recommendation or an 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.

## **Global X Leveraged and Inverse Series (the "Trust")**

**Global X S&P 500 Daily (-1x) Inverse Product\* (Stock Code: 07322)**

**Global X Hang Seng Index Daily (-1x) Inverse Product (Stock Code: 07336)**

**Global X Hang Seng Index Daily (2x) Leveraged Product (Stock Code: 07231)**

**Global X Hang Seng China Enterprises Index Daily (-1x) Inverse Product (Stock Code: 07362)**

**Global X Hang Seng China Enterprises Index Daily (2x) Leveraged Product (Stock Code: 07230)**

(\*This is a synthetic product)

### **(collectively the "Products")**

*(Each a sub-fund of Global X Leveraged and Inverse Series, a Hong Kong umbrella unit trust, authorised under Section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong)<sup>1</sup>*

**Notice to Unitholders – Amended and Restated Trust Deed and Update to offering documents to comply with revised SFC Code on Unit Trusts and Mutual Funds (the "Code") and withdrawal of waiver from compliance with certain provisions of the existing Code**

Dear Unitholders,

Unless otherwise defined, all capitalised terms shall have the same meaning as are given to such terms in the Prospectus of the Trust dated 31 December 2019.

#### **A. Amended and Restated Trust Deed and Update to offering documents**

The Trust Deed of the Trust (the "**Trust Deed**") will be amended by way of an amended and restated trust deed effective 31 December 2019 (the "**Effective Date**"). The prospectus of the Trust (the "**Prospectus**") and the product key facts statement of the Products (each, a "**KFS**") will also be amended on the Effective Date.

The purpose of amending and restating the Trust Deed and updating the Prospectus and KFS is to incorporate changes in compliance with the requirements of the revised Code. The revised Code came into effect on 1 January 2019 with a 12-month transition period for existing schemes (i.e. funds previously authorised by the SFC). The changes to the Trust Deed relate to the following:

- (a) the investment restrictions applicable to the Products will be revised to reflect the updated investment restrictions under Chapter 7, Chapter 8.6 (unlisted index funds and index tracking exchange traded funds) and Chapter 8.8 (structured funds) of the revised Code. Investors can refer to the section titled INVESTMENT OBJECTIVE, INVESTMENT STRATEGY, INVESTMENT RESTRICTIONS, SECURITY FINANCING AND BORROWING" in the Prospectus for the revised investment restrictions;

<sup>1</sup> SFC authorisation 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.

- (b) investment restrictions under Chapter 8.2 (money market funds) and Chapter 8.9 (funds that invest extensively in financial derivative instruments) of the revised Code will also be included in the Trust Deed for future sub-funds of the Trust (as may be applicable), although the Products do not fall under these chapters of the revised Code and hence these are not applicable to the Products;
- (c) enhanced obligations of the Trustee and the Manager respectively under the revised Code; and
- (d) other changes to comply with the revised Code.

The Prospectus and each KFS will also be amended on the Effective Date to reflect the abovementioned changes.

**B. Other updates**

Other changes will also be made to the Prospectus and KFS, including:

- (a) disclosure relating to the net derivative exposure of the Products will be added in the Prospectus and KFS;
- (b) disclosure relating to the Manager's risk management policy has been added under the section titled "The Manager"; and
- (c) other minor and miscellaneous updates, including drafting changes and updates to or removal of information that is out of date.

**C. Withdrawal of waiver from compliance with certain provisions of the existing Code**

The SFC has previously granted the following waivers (subject to certain conditions) from certain provisions of the existing Code (i.e. the version in force prior to 1 January 2019):

- (a) waivers in respect of the Global X Hang Seng Index Daily (-1x) Inverse Product, Global X Hang Seng Index Daily (2x) Leveraged Product, Global X Hang Seng China Enterprises Index Daily (-1x) Inverse Product and Global X Hang Seng China Enterprises Index Daily (2x) Leveraged Product from the requirement under Chapter 8.4A(e) that each Product may not hold open positions in any HSI or HSCEI Futures Contracts month (as the case may be) for which the combined margin requirement represents 5% or more of the Net Asset Value of that Product; and
- (b) a waiver in respect of the Global X Hang Seng China Enterprises Index Daily (2x) Leveraged Product from the requirement under Chapter 8.4A(b) that at least 30% of the Net Asset Value of the Product must be held on deposit or invested in liquid short term debt instruments and may not be used for margin requirements, and not more than 70% of the Net Asset Value of the Product may be committed as margin for futures or options contracts, and/or premium paid for options purchased (including put and/or call options).

(collectively, the "Waivers")

Chapter 8.4A has been removed from the revised Code. As a result, the Waivers are no longer be applicable and accordingly the Waivers will therefore be withdrawn with effect from the Effective Date.

**D. General**

For the avoidance of doubt, (i) the investment objective and policies of the Products will remain unchanged; (ii) the abovementioned changes will not amount to material changes to the Products; (iii) there will be no material change or increase in the overall risk profile of the Products; and (iv) the abovementioned changes do not materially prejudice the interests of Unitholders.

The change of Trust Deed does not require Unitholder's approval pursuant to the Trust Deed and applicable laws and regulations. The Trustee agrees to the change of Trust Deed.

The revised Prospectus and KFS will be published on the Manager's website at [www.am.miraeasset.com.hk/globalx](http://www.am.miraeasset.com.hk/globalx)<sup>2</sup> on or around the Effective Date. and HKEx's website at [www.hkex.com.hk](http://www.hkex.com.hk). Copies of the Trust Deed, as amended, will be available for inspection free of charge at any time during office hours at the office of the Manager (see address below) on or around the the Effective Date.

Investors who have any enquiries regarding the above may contact the Manager at Level 15, Three Pacific Place, 1 Queen's Road East, Hong Kong or our enquiry hotline at (852) 2295-1500 during office hours.

The Manager accepts responsibility for the accuracy of the contents of this notice.

**Mirae Asset Global Investments (Hong Kong) Limited**  
**as Manager of the Products**  
**Date: 31 December 2019**

---

<sup>2</sup> This website has not been reviewed or approved by the SFC.