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**THIS ANNOUNCEMENT AND NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE FOR UNITS OF THE EXCHANGE TRADED FUNDS NAMED BELOW.**

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*If you are in any doubt about the contents of this Announcement and Notice or as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.*

*If you have sold or transferred all your units in Global X S&P 500 Daily (-1x) Inverse Product\* (\*This is a synthetic product), 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, you should at once hand this Announcement and Notice to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.*

**IMPORTANT:** *The Stock Exchange of Hong Kong Limited (the “SEHK”), the Hong Kong Exchanges and Clearing Limited (the “HKEX”), the Hong Kong Securities and Futures Commission (the “SFC”) and the Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Announcement and Notice, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Announcement and Notice.*

*Mirae Asset Global Investments (Hong Kong) Limited (the “Manager”) accepts full responsibility for the accuracy of the information contained in this Announcement and Notice 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, there are no other facts the omission of which would make any statement misleading.*

*SFC authorisation is not a recommendation or an endorsement of the Trust (as defined below) and the Terminating Products (as defined below) nor does it guarantee the commercial merits of the Trust and the Terminating Products or their performance. It does not mean the Trust and the Terminating Products are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.*

**Global X Leveraged and Inverse Series  
(the “Trust”)**

*(a Hong Kong umbrella unit trust authorised under Section 104 of the Securities and Futures Ordinance (Cap. 571) of the laws of Hong Kong)*

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

*Stock Code: 07322*

*(\*This is a synthetic product)*

**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*

**(each a “Terminating Product” and collectively, the “Terminating Products”)**

**ANNOUNCEMENT AND NOTICE OF THE PROPOSED CESSATION OF  
TRADING, TERMINATION, VOLUNTARY DEAUTHORISATION AND  
DELISTING AND NON-APPLICABILITY OF CERTAIN PROVISIONS  
OF THE CODE ON UNIT TRUSTS AND MUTUAL FUNDS**

Terms not defined in this Announcement and Notice will have the meanings as are given to such terms in the prospectus of the Trust and the Terminating Products dated 29 April 2022 (the “Prospectus”).

**IMPORTANT:** Investors are strongly advised to consider the contents of this Announcement and Notice. This Announcement and Notice is important and requires your immediate attention. It concerns the proposed cessation of trading of units of the Terminating Products (the “Units”) on the SEHK, the proposed termination and proposed deauthorisation of the Trust and the Terminating Products and proposed delisting of the Terminating Products from the SEHK, and the non-applicability of certain provisions of the Code on Unit Trusts and Mutual Funds (the “Code”) for the period from 8 November 2022 (Tuesday) (i.e. the Trading Cessation Date, as defined in section 2.5) to the date of deauthorisation of the Trust and the Terminating Products (the “Deauthorisation Date”). In particular, investors should note that:

- taking into account the relevant factors, in particular, the relatively small net asset value (“Net Asset Value”) of each of the Terminating Products (see details of the factors in section 1 below), the Manager has, by means of a resolution of the board of directors of the Manager dated 30 June 2022, decided to exercise its power under Clauses 35.5 and 35.6 of the Trust Deed and proposed to seek termination of the Trust and the Terminating Products with effect from the Termination Date (as defined in section 2.5);
- the Last Trading Day (as defined in section 2.5) of the Units will be 7 November 2022 (Monday);
- the Units will cease trading as from 8 November 2022 (Tuesday) (i.e. the Trading Cessation Date, as defined in section 2.5);
- immediately after this Announcement and Notice has been published, a certain portion of the assets of the Terminating Products will be set aside as Provision (as defined in section 4.5) to discharge any Future Costs (as defined in section 4.5). As a result, the Net Asset Value and Net Asset Value per Unit will be reduced before the commencement of the trading on the SEHK on 10 October 2022 (Monday);
- the Manager will realise all of the assets of each of the Terminating Products effective from the Trading Cessation Date. Accordingly, from the Trading Cessation Date onwards, (i) there will be no further trading of Units on the SEHK and no further creation and redemption of Units; (ii) the Manager will start to realise all the assets of each of the Terminating Products and each of the Terminating Products will therefore cease to track the leveraged performance or inverse performance (as the case may be) of the respective indices and will not be able to meet their investment objectives of tracking the leveraged performance or inverse performance (as the case may be) of the respective indices; (iii) the Terminating Products will no longer be marketed or offered to the public; (iv) the Terminating Products will mainly hold cash; and (v) the Terminating Products will only be operated in a limited manner;
- the Manager will, after having consulted the Trustee and the Trust’s and the Terminating Products’ auditor, declare a Final Distribution (as defined in section 2.2) to the investors who remain so as at 14 November 2022 (Monday) (i.e. the Distribution Record Date, as defined in section 2.5), and the Final Distribution is expected to be payable on or around 30 December 2022 (Friday) (i.e. the Final Distribution Date, as defined in section 2.5);

- the amount of the Final Distribution will equal to the total net asset of each of the Terminating Products as at 14 November 2022 (Monday), which will exclude (i) the relevant Provision (as defined in section 4.5); (ii) any taxes payable; and (iii) any expenses payable;
- by the date when the Trustee and the Manager form an opinion that the Trust and the Terminating Products cease to have any outstanding contingent or actual assets or liabilities, the Trustee and the Manager will commence the completion of the termination of the Trust and the Terminating Products (i.e. the Termination Date);
- the Manager expects the Termination Date will be on or around 10 January 2023 (Tuesday). The Manager will publish an announcement on or shortly before the Termination Date in relation to the termination and deauthorisation of the Trust and the Terminating Products and delisting of the Terminating Products;
- during the period from the Trading Cessation Date until, the Termination Date, the Manager will maintain the Trust's and the Terminating Products' SFC authorisation status and the Terminating Products' SEHK listed status, and, subject to the SEHK's approval, expects the delisting to take effect at or around the same time as the deauthorisation;
- the Manager expects that the deauthorisation and the delisting will take place either on the Termination Date or shortly after the Termination Date (please note that any product documentation for the Trust and the Terminating Products previously issued to investors, including the Prospectus and the KFS in respect of the Terminating Products, should be retained for personal use only and not for public circulation); and
- investors should pay attention to the risk factors as set out in section 5.1 below (including liquidity risk, Units trading at a discount or premium and market makers' inefficiency risk, tracking errors during the period from the date of this Announcement and Notice to the Last Trading Day risk, Net Asset Value downward adjustment risk, failure to track the leveraged performance or inverse performance of the indices risk and delay in distribution risk). Investors should exercise caution and consult their professional and financial advisers before dealing in the Units or otherwise deciding on the course of actions to be taken in relation to their Units.

**Stockbrokers and financial intermediaries are urged to:**

- forward a copy of this Announcement and Notice to their clients holding Units in any or all of the Terminating Products, and inform them of the contents of this Announcement and Notice as soon as possible;
- facilitate their clients who want to dispose of Units in any or all of the Terminating Products on or before the Last Trading Day;
- inform their clients as soon as possible if any earlier dealing deadline, additional fees or charges, and/or other terms and conditions will be applicable in respect of the provision of their services in connection with any disposal of Units; and
- inform their clients of the Final Distribution arrangements as set out in section 2.2 below and the possible impact in relation to such arrangements to their clients.

**If investors are in doubt about the contents of this Announcement and Notice, they should contact their independent financial intermediaries or professional advisers to seek their professional advice, or direct their queries to the Manager (please refer to section 7 below).**

## **1. Proposed termination of the Trust and the Terminating Products, cessation of trading and realisation of assets**

### **1.1 Proposed termination of the Trust and the Terminating Products**

According to Clause 35.5 of the Trust Deed, the Trust may be terminated by the Manager in its absolute discretion by notice in writing to the Trustee in the event that, after one year from the date of the Trust Deed, the aggregate Net Asset Value of all the Units in each Terminating Product outstanding shall be less than HK\$500,000,000.

According to Clause 35.6 of the Trust Deed, the Terminating Products may be terminated by the Manager in its absolute discretion by notice in writing to the Trustee in the event that, after one year from the date of establishment of the relevant Terminating Product, the aggregate Net Asset Value of all the Units in such Terminating Product outstanding shall be less than HK\$500,000,000 or such other amount specified in the supplemental deed of the relevant Terminating Product. The supplemental deed of each of the Terminating Products has specified the following minimum termination amount for terminating the relevant Terminating Products (“**Minimum Termination Amount**”):

<b>Name</b>	<b>Minimum Termination Amount</b>
Global X S&P 500 Daily (-1x) Inverse Product* <i>(*This is a synthetic product)</i>	US\$10,000,000
Global X Hang Seng Index Daily (-1x) Inverse Product	HK\$80,000,000
Global X Hang Seng Index Daily (2x) Leveraged Product	HK\$80,000,000
Global X Hang Seng China Enterprises Index Daily (-1x) Inverse Product	HK\$80,000,000
Global X Hang Seng China Enterprises Index Daily (2x) Leveraged Product	HK\$80,000,000

No approval from the Unitholders of the Trust and the Terminating Products is required for such termination under Clauses 35.5 and 35.6 of the Trust Deed.

As at 6 October 2022, the Net Asset Value and the Net Asset Value per Unit of each of the Terminating Products were as follows:

<b>Name</b>	<b>Net Asset Value</b>	<b>Net Asset Value per Unit</b>
Global X S&P 500 Daily (-1x) Inverse Product* <i>(*This is a synthetic product)</i>	US\$4,817,527.70	US\$0.8759
Global X Hang Seng Index Daily (-1x) Inverse Product	HK\$29,061,846.46	HK\$6.0546
Global X Hang Seng Index Daily (2x) Leveraged Product	HK\$38,763,822.00	HK\$4.1238
Global X Hang Seng China Enterprises Index Daily (-1x) Inverse Product	HK\$28,991,838.70	HK\$7.0712

Global X Hang Seng China Enterprises Index Daily (2x) Leveraged Product	HK\$9,180,184.92	HK\$2.3539
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Having taken into account the relevant factors including interests of the investors of the Terminating Products as a whole, the current relatively small Net Asset Value of each of the Terminating Products, the Manager is of the view that the proposed termination of the Trust and the Terminating Products would be in the best interests of the investors of the Trust and the Terminating Products.

Therefore, the Manager has, by means of a resolution of the board of directors of the Manager dated 30 June 2022, decided to exercise its power under Clauses 35.5 and 35.6 of the Trust Deed, to terminate the Trust and the Terminating Products on the date on which the Trustee and the Manager form an opinion that the Trust and the Terminating Products cease to have any outstanding contingent or actual assets or liabilities. The Manager has given written notice to the Trustee notifying the Trustee of its proposal to terminate the Trust and the Terminating Products, and the Trustee does not object to such proposal and acknowledges the non-applicability of certain provisions of the Code as referred to in this Announcement and Notice.

As required under Clause 35.8 of the Trust Deed, no less than three months' notice is hereby given to the investors, notifying them of the proposed termination of the Trust and the Terminating Products. Also, as required under Chapter 11.1A and 11.2 of the Code, no less than one month's notice is hereby given to the investors, notifying them that the Terminating Products will cease to track the leveraged performance or inverse performance (as the case may be) of the respective indices, and cease trading, from the Trading Cessation Date.

## **1.2 The proposed cessation of trading**

The Manager will apply to SEHK to have the Units cease trading on the SEHK with effect from 8 November 2022 (Tuesday), the Trading Cessation Date. The Manager will realise all of the assets of the Terminating Products effective from the Trading Cessation Date. The realisation of assets of the Terminating Products will not incur any additional cost as compared to the costs associated with a normal realisation of investments. 7 November 2022 (Monday) will be the Last Trading Day when investors may buy or sell Units on the SEHK in accordance with the usual trading arrangements currently in place.

For the avoidance of doubt, creation and redemption of Units by Participating Dealers will continue to be permitted until the Last Trading Day. Creations of Units will be limited to the creation of Units by Participating Dealers for market making activities of market makers to provide liquidity of the trading of the Units on the SEHK. There will be no creation of Units for other purposes from the date of this Announcement and Notice.

Investors should note that they cannot create and redeem Units directly from the Terminating Products in the primary market. Only Participating Dealers may submit creation and redemption applications to the Manager and the Participating Dealers may have their own application procedures for their clients and may set application cut-off times for their clients which are earlier than those set out in the Prospectus but in any event, not later than the Last Trading Day. Investors are advised to check with the Participating Dealers as to the relevant timing deadlines and the client acceptance procedures and requirements.

## **1.3 Impacts on the proposed realisation of the assets of the Terminating Products**

After realisation of all the assets of the Terminating Products (as described in section 1.2 above and subject to section 2.4 below), the Terminating Products will mainly hold cash, primarily consisting of the proceeds from the realisation of the assets of the Terminating Products. Following this, from the Trading Cessation Date, the Terminating Products will cease to track

leveraged performance or inverse performance (as the case may be) of the respective indices, and will not be able to meet their investment objectives of tracking the leveraged performance or inverse performance (as the case may be) of their respective indices.

## **2. What will happen on or before the Last Trading Day and from the Trading Cessation Date?**

### **2.1 Trading on the SEHK on any trading day up to and including the Last Trading Day**

On any trading day up to and inclusive of the Last Trading Day, an investor may continue to buy or sell its Units on the SEHK in accordance with the usual trading arrangements, during the trading hours of the SEHK and based on the prevailing market prices. The market makers of the Terminating Products will continue to perform their market making functions in accordance with the trading rules of the SEHK until the Last Trading Date.

Investors should note that stockbrokers or other financial intermediaries may impose brokerage fees on any sale of the Units on the SEHK on investors, and a transaction levy (at 0.0027% of the price of the Units) and a trading fee (at 0.005% of the price of the Units) will be payable by the buyer and the seller of the Units.

No stamp duty will be imposed on any sale or purchase of the Units on the SEHK.

The trading price of Units may be below or above the Net Asset Value per Unit. Please see the “Units trading at a discount or premium and market maker’s inefficiency risk” in section 5.1 below.

Investors are reminded to contact their stockbrokers or financial intermediaries to check whether there will be any fees or charges including custody fees that they may need to bear with regard to their unitholding in the Terminating Products during the period from the Trading Cessation Date up till the date on which they cease to hold their Units.

### **2.2 Final Distribution**

For Relevant Investors (as defined below) who are still holding Units after the Last Trading Day, the Manager will, after consulting the Trustee and the Trust’s and the Terminating Products’ auditor, declare a final distribution of assets in the relevant Terminating Product’s Base Currency (the “**Final Distribution**”) in respect of those investors who remain invested in the Terminating Products as at the Distribution Record Date (the “**Relevant Investors**”). Such Final Distribution is expected to be made on or around 30 December 2022 (Friday).

Each Relevant Investor will be entitled to the Final Distribution of an amount equal to the relevant Terminating Product’s then Net Asset Value in proportion to the Relevant Investor’s Units in that Terminating Product as at the Distribution Record Date. Each Terminating Product’s then Net Asset Value will be the total value of the net proceeds from the realisation of the assets of the relevant Terminating Product as described in section 1.3 above, which will exclude (i) the relevant Provision; (ii) any taxes payable; and (iii) any expenses payable.

The Final Distribution payable to each Relevant Investor is expected to be paid on or around 30 December 2022 (Friday) to the accounts of its financial intermediary or stockbroker maintained with CCASS as at the Distribution Record Date. The Manager will issue a further announcement to inform the Relevant Investors of the exact day of payment of the Final Distribution, together with the amount of Final Distribution per Unit in respect of the relevant Terminating Product in due course.

### **2.3 Further Distribution**

The Manager does not expect or anticipate there will be a further distribution after the Final Distribution. However, in the unlikely event there is a further distribution after the Final Distribution, the Manager will issue an announcement informing the Relevant Investors.

**IMPORTANT NOTE: Investors should pay attention to the risk factors as set out in section 5.1 below and consult their professional and financial advisers before disposing of the Units. If an investor disposes of its Units at any time on or before the Last Trading Day, such investor will not in any circumstances be entitled to any portion of the Final Distribution or any further distribution (if any) in respect of any Units so disposed. Investors should therefore exercise caution and consult their professional and financial advisers before dealing in their Units or otherwise deciding on any course of actions to be taken in relation to their Units in any of the Terminating Products.**

### **2.4 During the period from the Trading Cessation Date (as defined in section 2.5) until the Termination Date**

Following the realisation of the assets and the Final Distribution and further distribution, if any, on the date on which the Manager and the Trustee form an opinion that the Trust and the Terminating Products cease to have any outstanding contingent or actual assets or liabilities, the Trustee and Manager will commence the completion of terminating the Trust and the Terminating Products.

During the period from the Trading Cessation Date until, the Termination Date, the Trust and the Terminating Products will remain authorised by the SFC and the Terminating Products will still maintain their listing status with the SEHK, although the Terminating Products will no longer be marketed or offered to the public and will be operated only in a limited manner as there will not be any trading of Units and the Terminating Products will have no investment activities from the Trading Cessation Date onwards.

The deauthorisation of the Trust and the Terminating Products and the delisting of the Terminating Products will take place either on the Termination Date or shortly after the Termination Date, subject to the SFC's and SEHK's approval respectively. The Manager expects, subject to the SEHK's approval, that the delisting will only take place at or around the same time of the deauthorisation.

The proposed termination, deauthorisation and delisting will be subject to the payment of all outstanding fees and expenses (please refer to section 4 below for further information), discharge of all other liabilities of the Trust and the Terminating Products, as well as the final respective approvals by the SFC and the SEHK.

Following deauthorisation, the Trust and the Terminating Products will no longer be regulated by the SFC and will not be available for public distribution in Hong Kong. Any product documentation for the Trust and the Terminating Products previously issued to investors, including the Prospectus and any KFS in respect of the Terminating Products, should be retained for personal use only and not for public circulation. Stockbrokers, financial intermediaries and investors must not circulate any marketing or other product information relating to the Trust and the Terminating Products to the public in Hong Kong as this may be in breach of the Securities and Futures Ordinance.

## 2.5 Important dates

Subject to the SFC's and the SEHK's approvals for the proposed arrangements set out in this Announcement and Notice, it is anticipated that the expected important dates in respect of the Trust and Terminating Products will be as follows:

Dispatch of Announcement and Notice and setting aside the Provision (as defined in section 4.5)	After market close on 7 October 2022 (Friday)
No further request for creation of Units by investors in the primary market via Participating Dealers (other than by Participating Dealers for market making activities) after this Announcement and Notice has been published	10 October 2022 (Monday)
Last day for dealings in the Units on the SEHK (the " <b>Last Trading Day</b> ") and last day for creation of Units by Participating Dealers for market making activities of market makers and redemption of Units in the primary market through a Participating Dealer	7 November 2022 (Monday)
Dealings in the Units on the SEHK cease (the " <b>Trading Cessation Date</b> ") and the Terminating Products will no longer be marketed or offered to the public in Hong Kong  No further creation and redemption of Units in the primary market through a Participating Dealer, i.e. same date on which the Manager will start to realise all the investments of the Terminating Products and the Terminating Products will cease to be able to track leveraged performance or inverse performance (as the case may be) of their respective indices	8 November 2022 (Tuesday)
Record date for determining the eligibility of entitlement of investors for the Final Distribution and further distribution, if any (the " <b>Distribution Record Date</b> ")	By close of business on 14 November 2022 (Monday)
The date as at which the Manager will, after having consulted the Trustee and the Trust's and the Terminating Products' auditor, declare the Final Distribution amount per Unit and dispatch the announcement on the Final Distribution	On or around 21 December 2022 (Wednesday)
Final Distribution, after the Manager having consulted with the Trustee and the Trust's and the Terminating Products' auditor, will be paid to the Relevant Investors (the " <b>Final Distribution Date</b> ")	On or around 30 December 2022 (Friday)

Termination of the Trust and the Terminating Products (the “ <b>Termination Date</b> ”)	Expected to be 10 January 2023 (Tuesday), when the Manager and the Trustee form an opinion that the Trust and the Terminating Products cease to have any outstanding contingent or actual assets or liabilities
Deauthorisation of the Trust and Terminating Products and delisting of the Terminating Products	<p>On or shortly after the Termination Date, which is the date when the SFC and SEHK approve the deauthorisation and delisting respectively</p> <p>The Manager expects that the deauthorisation and delisting will take place either on or immediately after the Termination Date</p>

The Manager will issue the following:

- (on a weekly basis from the date of this Announcement and Notice to the Last Trading Day) reminder announcements informing and reminding investors of the Last Trading Day, the Trading Cessation Date and the Distribution Record Date;
- (in due course) an announcement to inform the investors of the Final Distribution Date and further distribution date, if any;
- (on or shortly before the Termination Date) an announcement to inform the investors of the Termination Date, the dates for the deauthorisation of the Trust and the Terminating Products and the delisting of the Terminating Products,

in accordance with the applicable regulatory requirements.

If there is any change to the dates mentioned in this section, the Manager will issue an announcement to inform the Relevant Investors of the revised dates.

### **3. Non-applicability of certain provisions of the Code**

#### **3.1 Background**

As set out in section 2.4 above, while the Units will cease trading effective from the Trading Cessation Date, because of certain outstanding actual or contingent assets or liabilities in relation to the Trust and the Terminating Products, the Trust and the Terminating Products will remain in existence after the Trading Cessation Date until the Termination Date. During such period, the Trust and the Terminating Products will maintain their SFC authorisation status, and the Terminating Products will maintain their SEHK listed status, until the completion of the proposed termination, deauthorisation and delisting.

Given the Trust and the Terminating Products will no longer be offered or marketed to the public

and have limited operations after it ceases trading, pursuant to 8.6(t) of the Code and Question 20 of the Frequently Asked Questions on Leveraged and Inverse Products, the Trust and the Terminating Products will continue to maintain their SFC authorisation status without strictly complying with certain provisions of the Code for the period from the Trading Cessation Date to the Deauthorisation Date, provided that the specific conditions and requirements imposed by the SFC are met.

Such conditions and requirements are described in this section 3.

### **3.2 Publication of the suspension of dealing**

Under Chapter 10.7 of the Code, the Manager is required to: (a) immediately notify the SFC if dealing in Units ceases or is suspended; and (b) publish the fact that dealing is suspended immediately following the decision to suspend and at least once a month during the period of suspension in an appropriate manner.

The Manager will continue to manage the Terminating Products without strict compliance with 10.7 of the Code from the Trading Cessation Date to the Deauthorisation Date, subject to the condition that a statement shall be posted in a prominent position of the Manager's website <https://www.globalxetfs.com.hk/><sup>1</sup> from the Trading Cessation Date until the Deauthorisation Date to notify investors that the Units have ceased trading on the SEHK from 8 November 2022 (Tuesday), and draw investors' attention to this Announcement and Notice, the subsequent reminder announcements and all other relevant announcements.

As the Terminating Products will maintain their listing status with the SEHK after 7 November 2022 (Monday) (i.e. the Last Trading Day) until the Delisting Date, investors may continue to access further announcements in relation to the Terminating Products via the HKEX's website and the Manager's website <https://www.globalxetfs.com.hk/><sup>1</sup> during such period.

### **3.3 Provision of real time or near-real time indicative Net Asset Value per Unit and last Net Asset Value**

Under 8.6(u)(i) and 8.6(u)(ii) of the Code, the Manager is required to provide real time or near-real time indicative Net Asset Value per Unit (updated at least every 15 seconds during trading hours) and last Net Asset Value per Unit and last Net Asset Value of the Terminating Products (updated on a daily basis) on the Manager's website or such other channels as the SFC considers appropriate.

The Manager will continue to manage the Terminating Products without strict compliance with 8.6(u)(i) and 8.6(u)(ii) of the Code (for the period from the Trading Cessation Date to the Deauthorisation Date), subject to the following conditions and requirements imposed by the SFC and which the Manager has undertaken to meet:

- (A) the Net Asset Value per Unit as at 7 November 2022 (Monday) (i.e. the Last Trading Day), which will be the latest Net Asset Value per Unit of the Terminating Products, will be published on the Manager's website <https://www.globalxetfs.com.hk/><sup>1</sup>; and
- (B) the Manager shall update the latest available Net Asset Value per Unit of the Terminating Products on the Manager's website <https://www.globalxetfs.com.hk/><sup>1</sup> as soon as practicable should there be any other change to the Net Asset Value of the Terminating Products, including but not limited to changes arising from (i) the Final Distribution (please see further in section 2.2 above); (ii) any further distribution (if any);

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<sup>1</sup> The website has not been reviewed by the SFC.

(iii) any change in market value of any scrip dividend receivable by the Terminating Products; and (iv) any deduction of transaction costs or taxes relating to the realisation of assets of the Terminating Products.

### **3.4 Updating of the Prospectus and KFS in respect of the Terminating Products**

Under Chapters 6.1 and 11.1B of the Code, the Prospectus and the KFS in respect of the Terminating Products must be up-to-date and must be updated to incorporate any relevant changes to the Trust and/or the Terminating Products.

The Manager will continue to manage the Trust and the Terminating Products without updating the Prospectus and the KFS in respect of the Terminating Products as required under 6.1 and 11.1B of the Code from the Trading Cessation Date to the Deauthorisation Date, subject to the following conditions and requirements imposed by the SFC and which the Manager has undertaken to meet:

- (A) the Manager will promptly notify investors of any changes to the Trust and/or the Terminating Products or to the Prospectus or the KFS of the Terminating Products by means of publishing further announcement(s) on the Manager's website <https://www.globalxetfs.com.hk/><sup>1</sup> and the HKEX's website (each, a "**Relevant Future Announcement**"); and
- (B) the Manager will ensure that each Relevant Future Announcement shall include a statement to refer investors to read this Announcement and Notice together with the Prospectus, the KFS of the Terminating Products, and any other Relevant Future Announcement(s).

### **3.5 Other related matter**

The Manager confirms that, save for the particular provisions of the Code set out in sections 3.2 to 3.4 above, the Manager will continue to comply with all the other applicable provisions of the Code, the applicable provisions in the Trust Deed, The Rules Governing the Listing of Securities on the SEHK and other applicable laws and regulations in respect of the Trust and the Terminating Products.

## **4. Costs**

### **4.1 Trading on the SEHK**

As indicated in section 2.1 above, stockbrokers or financial intermediaries may levy certain fees and charges for any orders to dispose of Units on or before the Last Trading Day.

### **4.2 Creation and redemption by Participating Dealers**

All creation and redemption of Units by Participating Dealers will be subject to the fees and costs as set out in the Prospectus. Participating Dealers may pass on to the relevant investors such fees and costs, and may also impose fees and charges in handling creation and redemption requests which would increase the cost of creation and redemption. Investors are advised to check with Participating Dealers as to their relevant fees, costs and charges.

### **4.3 Ongoing charges of the Terminating Products**

The ongoing charges of the Terminating Products over a year are set out below:

- Global X S&P 500 Daily (-1x) Inverse Product\* (*\*This is a synthetic product*): 1.68%#

- Global X Hang Seng Index Daily (-1x) Inverse Product: 2.82%^
- Global X Hang Seng Index Daily (2x) Leveraged Product: 1.87%^
- Global X Hang Seng China Enterprises Index Daily (-1x) Inverse Product: 2.67%^
- Global X Hang Seng China Enterprises Index Daily (2x) Leveraged Product: 2.99%^

# The ongoing charges figure of Global X S&P 500 Daily (-1x) Inverse Product\* (*\*This is a synthetic product*) is based on expenses incurred for the financial year ended 31 March 2022, expressed as a percentage of each of the Terminating Product's average Net Asset Value over the same period. It does not include the swap fees. The ongoing charges figure has been capped at a maximum of 1.68% of the average Net Asset Value of the Terminating Product since launch. Any ongoing expenses of the Terminating Product will be borne by the Manager and will not be charged to the Terminating Product if such expense would result in the ongoing charges figure exceeding 1.68%.

^ The ongoing charges figure of each of 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 is based on expenses incurred for the financial year ended 31 March 2022, expressed as a percentage of the Terminating Product's average Net Asset Value over the same period. The ongoing charges figure has been capped at a maximum of 3% of the average Net Asset Value of the relevant Terminating Product since 1 August 2021. Any ongoing expenses of these Terminating Products will be borne by the Manager and will not be charged to the Terminating Products if such expense would result in the ongoing charges figure exceeding 3%.

Please note for completeness the ongoing charges figure shown above is calculated in accordance with the guidance under the relevant SFC circular, and excludes the following costs and expenses associated with the termination of the Trust and the Terminating Products (which are to be borne by the Terminating Products): (i) transaction costs and (ii) any taxes relating to the liquidation of assets of the Terminating Products.

The Terminating Products do not have any unamortised preliminary expense or contingent liabilities (such as outstanding litigation) as at the date of this Announcement and Notice.

#### **4.4 Cost of termination, deauthorisation and delisting**

Subject to the Provision (as defined below), the Manager will bear all costs and expenses associated with the termination and deauthorisation of the Trust and the Terminating Products and delisting of the Terminating Products (other than any transaction costs and any taxes relating to the realisation of assets of the Terminating Products) from the date of this Announcement and Notice up to and including the Termination Date. The Manager will continue to charge a management fee and the Trustee will continue to charge a trustee fee up to and including the Business Day following Trading Cessation Date.

#### **4.5 Provision of costs and expenses**

On the date on which this Announcement and Notice is published, a certain portion of the assets of the Terminating Products that will be set aside (the "**Provision**"). The ongoing charges figure for each Terminating Product aforementioned will no longer be applicable and the Provision (in terms of percentage of the Net Asset Value of the relevant Terminating Product) represents the costs and expenses chargeable to each of the Terminating Products from the date of this Announcement and Notice until the Termination Date. The following amount will be set aside for each Terminating Product:

Name	Provision amount	Approximate percentage of the Net Asset Value
Global X S&P 500 Daily (-1x) Inverse Product* ( <i>*This is a synthetic product</i> )	US\$47,694.75	0.99%
Global X Hang Seng Index Daily (-1x) Inverse Product	HK\$278,471.65	0.96%
Global X Hang Seng Index Daily (2x) Leveraged Product	HK\$281,750.30	0.73%
Global X Hang Seng China Enterprises Index Daily (-1x) Inverse Product	HK\$276,992.75	0.96%
Global X Hang Seng China Enterprises Index Daily (2x) Leveraged Product	HK\$263,427.35	2.87%

This Provision is to discharge any future costs, charges, expenses, claims and demands (including but not limited to any auditor's fees, regulatory maintenance costs and the fees payable to any service provider to the Terminating Products, including the Trustee) that the Trustee and the Manager may incur or make, during the period from the time after this Announcement and Notice has been published up to the Termination Date, in connection with or arising out of the ongoing charges and normal operating expenses of the Trust and the Terminating Products, and the termination process together with the delisting and deauthorisation (the "**Future Costs**"). For avoidance of doubt, the Future Costs do not include transaction costs and any taxes relating to the realisation of assets of the Terminating Products.

The Trustee has confirmed that it has no objection to the amount of the Provision. **As a result of the setting aside of the Provision immediately after this Announcement and Notice has been published, the Net Asset Value and the Net Asset Value per Unit will be reduced before the commencement of the trading on the SEHK on 10 October 2022 (Monday), as more particularly described below:**

	Before setting aside the Provision		After setting aside the Provision	
	Net Asset Value	Net Asset Value per Unit	Net Asset Value	Net Asset Value per Unit
Global X S&P 500 Daily (-1x) Inverse Product* ( <i>*This is a synthetic product</i> )	US\$4,817,527.70	US\$0.8759	US\$4,769,832.95	US\$0.8672
Global X Hang Seng Index Daily (-1x) Inverse Product	HK\$29,061,846.46	HK\$6.0546	HK\$28,783,374.81	HK\$5.9965
Global X Hang Seng Index Daily (2x) Leveraged Product	HK\$38,763,822.00	HK\$4.1238	HK\$38,482,071.70	HK\$4.0938
Global X Hang Seng China Enterprises Index Daily (-1x) Inverse Product	HK\$28,991,838.70	HK\$7.0712	HK\$28,714,845.95	HK\$7.0036

Global X Hang Seng China Enterprises Index Daily (2x) Leveraged Product	HK\$9,180,184.9 2	HK\$2.3539	HK\$8,916,757.5 7	HK\$2.2863
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Where the Provision is in excess of the actual amount of the Future Costs (when materialised), such excess will be refunded to the Relevant Investors as part of the Final Distribution in proportion to each Relevant Investor's Units as at the Distribution Record Date (i.e. by close of business on 14 November 2022 (Monday)). However, where the Provision is insufficient to cover any Future Costs, any shortfall will be borne by the Manager and no further provision will be made.

## 5. Other matters

### 5.1 **Other implications of the proposed cessation of trading of Units on the SEHK, the proposed termination and proposed deauthorisation of the Trust and the Terminating Products and proposed delisting of the Terminating Products from the SEHK**

In consequence of this Announcement and Notice and the proposed cessation of trading of Units on the SEHK, the proposed termination and proposed deauthorisation of the Trust and the Terminating Products and proposed delisting of the Terminating Products from the SEHK, investors should note and consider the following risks:

*Liquidity risk* – Trading of Units on the SEHK from the date of this Announcement and Notice may become less liquid;

*Units trading at a discount or premium and market makers' inefficiency risk* – The Units may trade at a discount or premium of their Net Asset Value. Although up to (and including) the Last Trading Day, the market makers will continue to perform its market making functions in respect of the Terminating Products in accordance with the Trading Rules of the SEHK, Units may trade at a discount compared to their Net Asset Values in extreme market situations. This is because many investors may want to sell their Units after this Announcement and Notice has been published but there may not be many investors in the market who are willing to purchase such Units. On the other hand, it is also possible that the Units may trade at a premium and consequently the divergence between the supply of and demand for the Units may be larger than usual. In particular, should there be a large demand for such Units before the Trading Cessation Date, the market maker may not be able to effectively perform its market making activities to provide liquidity of the trading of Units on the SEHK in these extreme market situations. Following this, the price volatility of the Units may be higher than usual from the date of this Announcement and Notice through the Last Trading Day;

*Tracking errors during the period from the date of this Announcement and Notice to the Last Trading Day risk* – The setting aside of the Provision (immediately after this Announcement and Notice has been published) will adversely affect the Net Asset Value per Unit. This reduction of Net Asset Value per Unit will cause the relevant Terminating Product's return to substantially deviate from the leveraged performance or inverse performance of the relevant index so the relevant Terminating Product will not be able to properly track the leveraged performance or inverse performance (as the case may be) of the relevant index during the period from the date of this Announcement and Notice to the Last Trading Day and thus triggering significant tracking error. It is possible that the size of the relevant Terminating Product may drop drastically before the Last Trading Day. This may impair the Manager's ability to fulfill the investment objectives of the Terminating Products and result in significant

tracking error. In the extreme situation where the size of the relevant Terminating Product becomes so small that the Manager considers that it is not in the best interest of the relevant Terminating Product to continue to invest in the market, the Manager may decide to convert the whole or part of the investments of the relevant Terminating Product into cash or deposits in order to protect the interest of the investors of that Terminating Product;

*Net Asset Value downward adjustment risk* – Changes in economic environment, consumption pattern and investors' expectations may have significant impact on the value of the investments and there may be significant drop in value of the investments. In addition, the Net Asset Values of the Terminating Products will be reduced as some of the Terminating Products' assets will be set aside as Provision on the date on which this Announcement and Notice is published. Such market movements and the setting aside of the Provision may result in substantial downward adjustment of the Net Asset Value per Unit before the Last Trading Day;

*Failure to track the leveraged performance or inverse performance of the indices risk* – All assets of the Terminating Products will be liquidated with effect from the Trading Cessation Date. Thereafter, the entirety of the Terminating Products' assets will be cash and the Terminating Products will operate in a limited manner. Following this, from the Trading Cessation Date, the Terminating Products will cease to track the leveraged performance or inverse performance (as the case may be) of their respective indices, and will not be able to meet their investment objectives of tracking the leveraged performance or inverse performance (as the case may be) of their respective indices; and

*Delay in distribution risk* – The Manager will aim to realise all of the assets of all the Terminating Products and then proceed with the Final Distribution and further distribution (if any) as soon as practicable. However, the Manager may not be able to realise all the assets of the Terminating Products in a timely manner during certain periods of time, for example, when the trading on the relevant stock exchanges is restricted or suspended or when the official clearing and settlement depository of the relevant market is closed. In this case, the payment of the Final Distribution or further distribution (if any) to the Relevant Investors may be delayed.

Investor attention is also drawn to the risks disclosed in the Prospectus of the Terminating Products.

## **5.2 Tax implications**

Based on the Manager's understanding of the law and practice in force at the date of this Announcement and Notice, as the Trust and the Terminating Products are collective investment schemes authorised under Section 104 of the Securities and Futures Ordinance (Cap. 571 Laws of Hong Kong), profits of the Trust and the Terminating Products derived from realisation of their assets in Hong Kong are exempt from Hong Kong profits tax. Notwithstanding that profits of the Trust and each Terminating Product derived from realisation of its assets are exempt from Hong Kong profits tax, the Trust and each Terminating Product may be subject to tax in certain jurisdictions where investments are made, on income or capital gains derived from such investments.

No tax is expected to be payable by investors in Hong Kong in respect of the Final Distribution or further distributions (if any) to the extent of distribution of profits and/or capital of the Terminating Products. For investors carrying on a trade, profession or business in Hong Kong, profits derived in redemption or disposal of Units may be subject to Hong Kong profits tax if the profits in question arise in or are derived from such trade, profession or business, sourced in Hong Kong, as well as the Units are revenue assets of the investors.

Investors should consult their professional tax advisers for tax advice.

### 5.3 Connected party transaction

Mirae Asset Securities (HK) Limited (“**Mirae Asset Securities**”), which is a Connected Person of the Manager, currently acts as one of the Participating Dealers of the Terminating Products. As at 6 October 2022, Mirae Asset Securities held the following number of Units:

Name	Number of Units	Approximate percentage of the Net Asset Value
Global X S&P 500 Daily (-1x) Inverse Product* ( <i>*This is a synthetic product</i> )	0	0%
Global X Hang Seng Index Daily (-1x) Inverse Product	0	0%
Global X Hang Seng Index Daily (2x) Leveraged Product	200,000	2.13%
Global X Hang Seng China Enterprises Index Daily (-1x) Inverse Product	0	0%
Global X Hang Seng China Enterprises Index Daily (2x) Leveraged Product	200,000	5.13%

However, Mirae Asset Securities may decide to dispose of all or part of their Units, either by selling the Units on the SEHK or by redeeming the Units in the primary market, after being informed of the proposal to terminate the Trust and the Terminating Products via this Announcement and Notice. Any disposal of Units by Mirae Asset Securities, which is beyond the control of the Manager, may reduce the size of the relevant Terminating Products and impair the Manager’s ability to fulfil the investment objectives of the relevant Terminating Products and result in significant tracking error. Please refer to “Tracking errors during the period from the date of this Announcement and Notice to the Last Trading Day risk” in section 5.1 above.

Other than disclosed, no other Connected Persons of the Manager and/or the Trustee are party to any transaction in relation to the Terminating Products, nor hold any interest in the Terminating Products.

### 6. Documents available for inspection

Copies of the following documents are available for inspection free of charge upon request at the Manager’s registered office (see section 7 below) during normal business hours:

- the Trust Deed;
- the Participation Agreements;
- the Service Agreements;
- the latest annual and semi-annual reports of the Trust and Terminating Products (if any);
- the Prospectus; and
- the KFS of the Terminating Products.

Copies of the Trust Deed, Participation Agreements and Service Agreements may be purchased

from the Manager at a fee of HKD150 per set of copy documents. Copies of the annual and the semi-annual reports, the Prospectus and the KFS of the Terminating Products are available from the Manager free of charge.

## **7. Enquiries**

If you have any questions in relation to the contents of this Announcement and Notice, please direct them to your stockbrokers or financial intermediaries or contact the Manager by calling +852 2295 1500 during office hours (except Hong Kong statutory holidays), or visiting the Manager in person at Room 1101, 11/F, Lee Garden Three, 1 Sunning Road, Causeway Bay, Hong Kong, or visiting the Manager's website <https://www.globalxetfs.com.hk/><sup>1</sup>.

The Manager accepts full responsibility for the accuracy of the contents of this Announcement and 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.

**Mirae Asset Global Investments (Hong Kong) Limited**  
as Manager of the Trust and the Terminating Products

7 October 2022