PARVEST

Luxembourg SICAV - UCITS class
Registered office: 33 rue de Gasperich, L-5826 Hesperange
Luxembourg Trade and Company Register No. B 33363

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

Notice to Shareholders

PART A

The following changes will be effective on 2nd May 2014 and will be incorporated in the next version of the Hong Kong Offering Document in due course:

Investment Policy

The onshore Chinese investment market represents a major portion of the market cap of Greater China investment market. With the new QFII quota designated to PARVEST, the fund managers of the following sub-funds are seeking to have more exposure to such onshore Chinese investment market with a view that such market will give more exposure to China's growth dynamics sectors and also provide diversification to the portfolios.

Current Investment Policy in the existing Prospectus	**Revised Investment Policy to be incorporated in the new Prospectus**
PARVEST Convertible Bond Asia The sub-fund invests at least two-thirds of its assets in convertible bonds and/or in securities treated as equivalent whose underlying assets are issued by companies that have their registered office and/or main place of business in, or conduct a significant proportion of their business in, Asia, and also in derivatives on this type of asset. The remainder, namely one-third of its assets maximum, may be invested in any other transferable securities, money market instruments, derivatives or cash, and also, within a limit of 10% of the assets, in UCITS or UCIs.	**PARVEST Convertible Bond Asia** The sub-fund invests at least two-thirds of its assets in convertible bonds and/or in securities treated as equivalent whose underlying assets are issued by companies that have their registered office and/or main place of business in, or conduct a significant proportion of their business in, Asia, and also in derivatives on this type of asset. The remainder, namely one-third of its assets maximum, may be invested in any other transferable securities, money market instruments, derivatives or cash, and also, within a limit of 10% of the assets, in UCITS or UCIs. ***The sub-fund's overall exposure (via both direct and indirect investments) to Mainland China equity and debt Securities will not exceed 30% of its assets.***
PARVEST Convertible Bond World This sub-fund invests at least 2/3 of its assets in convertible or similar bonds whose underlying shares are issued by companies and in financial derivative instruments on this type of asset. The manager will seek to achieve a balance between the debt character of convertible bonds and their dependence on their respective underlying shares. In this respect, the sub-fund will take advantage of bond yields and will also be sensitive to the performance of the underlying shares. The remaining portion, namely a maximum of 1/3 of its	**PARVEST Convertible Bond World** This sub-fund invests at least 2/3 of its assets in convertible or similar bonds whose underlying shares are issued by companies and in financial derivative instruments on this type of asset. The manager will seek to achieve a balance between the debt character of convertible bonds and their dependence on their respective underlying shares. In this respect, the sub-fund will take advantage of bond yields and will also be sensitive to the performance of the underlying shares. The remaining portion, namely a maximum of 1/3 of its

assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, and up to 10% of its assets may be invested in UCITS or UCI. After hedging, the sub-fund's exposure to currencies other than EUR may not exceed ***5%***.	assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, and up to 10% of its assets may be invested in UCITS or UCI. After hedging, the sub-fund's exposure to currencies other than EUR may not exceed ***25%.*** ***The sub-fund may use financial derivative instruments for both hedging and investment purposes.***[1] ***The sub-fund's overall exposure (via both direct and indirect investments) to Mainland China equity and debt Securities will not exceed 30% of its assets.***
PARVEST Equity BRIC The sub-fund invests at least two-thirds of its assets in equities and/or securities treated as equivalent to equities issued by companies that have their registered office in, and/or conduct a significant proportion of their business in, Brazil, Russia, India, China, Hong Kong and/or Taiwan, and also in derivatives on this type of asset. The remainder, namely one-third of its assets maximum, may be invested in any other transferable securities, money market instruments, derivatives and/or cash, and also, within a limit of 15% of the assets, in debt securities of any kind and, within a limit of 10% of the assets, in UCITS or UCIs. The sub-fund's total exposure (via both direct and indirect investments) to China A Shares (Shares listed in RMB in the Shanghai or Shenzhen stock exchanges and which are exclusively reserved to private Chinese investors) and China B Shares (Shares listed in foreign currencies in the Shanghai or Shenzhen stock exchanges and reserved to foreign investors) will not be more than 10% of its assets and currently the sub-fund does not invest in China A shares directly.	**PARVEST Equity BRIC** The sub-fund invests at least two-thirds of its assets in equities and/or securities treated as equivalent to equities issued by companies that have their registered office in, and/or conduct a significant proportion of their business in, Brazil, Russia, India, China, Hong Kong and/or Taiwan, and also in derivatives on this type of asset. The remainder, namely one-third of its assets maximum, may be invested in any other transferable securities, money market instruments, derivatives and/or cash, and also, within a limit of 15% of the assets, in debt securities of any kind and, within a limit of 10% of the assets, in UCITS or UCIs. ***The sub-fund's overall exposure (via both direct and indirect investments) to Mainland China equity and debt Securities will not exceed 30% of its assets.***
PARVEST Equity China This sub-fund invests at least 2/3 of its assets in shares or other similar securities of companies that have their registered offices or conduct the majority of their business activities in China, Hong Kong or Taiwan and in financial derivative instruments on this type of asset. The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.	**PARVEST Equity China** This sub-fund invests at least 2/3 of its assets in shares or other similar securities of companies that have their registered offices or conduct the majority of their business activities in China, Hong Kong or Taiwan and in financial derivative instruments on this type of asset. The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

[1] For the avoidance of doubt, it is our intention to clearly specify in the Prospectus that the sub-fund may use financial derivative instruments for both hedging and investment purposes. It is an enhancement of disclosure reflecting the current practice. There is no change to the extent of use of financial derivative instruments by the sub-fund.

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The sub-fund's total exposure (via both direct and indirect investments) to China A Shares (Shares listed in RMB in the Shanghai or Shenzhen stock exchanges and which are exclusively reserved to private Chinese investors) and China B Shares (Shares listed in foreign currencies in the Shanghai or Shenzhen stock exchanges and reserved to foreign investors) will not be more than 10% of its assets and currently the sub-fund does not invest in China A shares directly.	***The sub-fund's overall exposure (via both direct and indirect investments) to Mainland China equity and debt Securities will not exceed 30% of its assets.***

"Mainland China equity and debt Securities" refer to "Securities traded in People's Republic of China included but not limited to China A Shares (Shares listed in CNY in the Shanghai or Shenzhen stock exchanges and which are exclusively reserved to Chinese or Qualified Foreign Institutional Investors), China B Shares (Shares listed in foreign currencies in the Shanghai or Shenzhen stock exchanges and reserved to foreign investors) and/or any other equity and debt securities issued or settled in CNY and/or P-Notes linked to those securities. China H shares (Shares listed in HKD in the HK stock exchanges) are not concerned. "Mainland China equity and debt Securities" will be defined under "TERMINOLOGY" section of the Prospectus.

For the avoidance of doubts, investors should note that:

- "direct investments" refer to the investments in the Mainland China equity and debt Securities using Qualified Foreign Institutional Investors (QFII) quota.
- "indirect investments" refer to investments in the Mainland China equity and debt Securities using access products which are primarily participation notes (P-Notes) but may also be other similar securities and instruments linked to China A Shares, China B Shares and other equity and debt securities issued or settled in CNY.
- "any other equity and debt securities issued or settled in CNY" as referred in the definition of "Mainland China equity and debt Securities" refer to those onshore mainland China securities, other than China A Shares as already mentioned in the definition, which can be only be invested using QFII. They include mainly convertible bonds and fixed income securities (listed in Shenzhen or Shanghai stock exchanges or available in the interbank bond market) but can also include warrants and funds etc.

As a result of the above change, the sub-funds will be subject to the risks of securities market of China and access products. To summarize, investing in securities market of China is subject to emerging market risks as well as China specific risks which may result in a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity, regulatory, accounting and reporting risk. The legal and regulatory framework in China is less developed. Generally, there is greater market volatility, lower trading volume, greater political and economic instability, greater settlement risk, greater risk of market shut down, more governmental limitations on foreign investment and more governmental control of currency conversion and future movements in exchange rate than those typically found in developed markets.

Investors should note that the QFII license may be revoked or terminated and the QFII quota may be reduced or cancelled, which will adversely affect the value of the sub-funds. With the uncertainty of PRC tax rules, any provision for taxation made may be excessive or inadequate to meet the final PRC tax liabilities. Consequently, investors may be advantaged or disadvantaged depending upon the final rules. RMB is currently not a freely convertible currency and is subject to exchange controls and restrictions by the Chinese government and investors may be adversely affected by the movements of the exchange rates between RMB and other currencies. RMB is also subject to higher transaction costs associated with currency conversion, which may in turn adversely affect the value of the sub-funds.

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Luxembourg SICAV - UCITS class
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Luxembourg Trade and Company Register No. B 33363

Please refer to the detailed risk disclosures in connection with the proposed investments in mainland China equity and debt Securities as set out in the Appendix to this Notice.

Current Investment Policy in the existing Prospectus	**Revised Investment Policy to be incorporated in the new Prospectus**
PARVEST Green Tigers This sub-fund invests at least 2/3 of its assets in shares or other similar securities of companies whose technologies, products and services bring sustainable development solutions to environmental problems in Asia and in financial derivative instruments on this type of asset. The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI. The manager will favour companies that develop technologies focused on sustainable development. In choosing these companies, it will select those that represent the best balance between level of sustainability and risk profile. The sub-fund's total exposure (via both direct and indirect investments) to China A Shares (Shares listed in RMB in the Shanghaï or Shenzhen stock exchanges and which are exclusively reserved to private Chinese investors) and China B Shares (Shares listed in foreign currencies in the Shanghaï or Shenzhen stock exchanges and reserved to foreign investors) will not be more than 10% of its assets and currently the sub-fund does not invest in China A shares directly.	**PARVEST Green Tigers** This sub-fund invests at least 2/3 of its assets in shares or other similar securities of companies whose technologies, products and services bring sustainable development solutions to environmental problems in Asia and in financial derivative instruments on this type of asset. The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI. The manager will favour companies that develop technologies focused on sustainable development. In choosing these companies, it will select those that represent the best balance between level of sustainability and risk profile.

After the change of investment policy, PARVEST Green Tigers will no longer invest in China A Shares and China B Shares.

<u>PARVEST Equity Japan</u>

The cut-off time for "Centralisation of orders" will be changed from "16:00 CET for STP orders, 12:00 CET for non STP orders on the ***Valuation Day (D)***" to "16:00 CET for STP orders, 12:00 CET for non STP orders on ***the day preceding the Valuation Day (D – 1)***"; the assets of the sub-fund will be valued at the closing prices on the Valuation Day instead of adopting the fair value pricing.

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Hedged categories

Hedged categories "H" of "PARVEST Bond Best Selection World Emerging", "PARVEST Bond World Emerging Local" and "PARVEST Opportunities USA[2]" will be revamped into Return Hedged categories "RH" with the following change after the revamp:

Hedged (H) categories	Return Hedged (RH) categories
Aims at hedging the currency exchange risk against the currency exposure of the portfolio of the sub-fund (i.e. hedging the ***currency exposure of underlying investments of the portfolio*** against the ***currency denomination of the category***).	Aims at hedging the ***portfolio return expressed in the sub-fund's reference currency*** against the ***currency denomination of the category***.

Liquidation or merger of share classes

In addition to "H" categories, for all other share categories/classes, if the assets fall below EUR100,000 or equivalent, the Board of Directors reserves the right to liquidate it or merge it with another category/class it decides in the best interests of shareholders pursuant to Article 32 of the Articles of Association of PARVEST.

PART B

Split of Shares

The following split will be incorporated in the next version of the Prospectus (May 2014) and will be effective on 6th June 2014:

sub-fund	*ISIN code*	*Share*	*Split by*	*What will be done to split the shares ?*
PARVEST Bond USD Government	LU0111478441	Privilege-CAP	10	NAV per share will be divided by 10 For each current share, shareholders will receive 10 new shares
PARVEST Bond World Inflation-linked	LU0249367086	Privilege-CAP	10	NAV per share will be divided by 10 For each current share, shareholders will receive 10 new shares
PARVEST Convertible Bond Asia	LU0111466271	Privilege-CAP	100	NAV per share will be divided by 100 For each current share, shareholders will receive 100 new shares
PARVEST Equity Brazil	LU0265313147	Privilege-CAP	10	NAV per share will be divided by 10 For each current share, shareholders will receive 10 new shares
PARVEST Equity BRIC	LU0230664160	Privilege-CAP	10	NAV per share will be divided by 10 For each current share, shareholders will receive 10 new shares
PARVEST Equity Europe Emerging	LU0823403190	Classic USD-CAP	10	NAV per share will be divided by 10 For each current share, shareholders will receive 10 new shares
PARVEST Equity Europe Emerging	LU0823403356	Classic-CAP	10	NAV per share will be divided by 10 For each current share, shareholders will receive 10 new shares
PARVEST Equity Europe Emerging	LU0823403273	Classic USD-DIS	10	NAV per share will be divided by 10 For each current share, shareholders will receive 10 new shares

[2] Authorization of PARVEST Opportunities USA will be withdrawn with effect from 18 June 2014 and this sub-fund is no longer available to the public in Hong Kong.

PARVEST Equity High Dividend Europe	LU0111493838	Privilege-CAP	10	NAV per share will be divided by 10 For each current share, shareholders will receive 10 new shares
PARVEST Equity Latin America	LU0111453535	Privilege-CAP	100	NAV per share will be divided by 100. For each current share, shareholders will receive 100 new shares
PARVEST Equity USA Mid Cap	LU0154246218	Privilege-CAP	10	NAV per share will be divided by 10 For each current share, shareholders will receive 10 new shares

There will be no impact on investors other than receiving more shares. Following the split of shares on 6 June 2014, investors will receive a new contract note indicating the new number of shares they will hold.

To avoid any incorrect processing of orders on the day of the share split, application for subscription and redemption to be processed at the net asset value dated 6 June 2014 will be accepted in monetary amount only, which means that such application cannot be made in "number of shares" and no conversion application will be accepted to be processed at the net asset value dated 6 June 2014.

PART C

Investment Managers

Following the notification to shareholders by way of a notice issued on 27 December 2013, on 2 January 2014 (effective date) , Neuflize Private Assets (NPA) S.A. has merged into Neuflize OBC Investissements (NOI) which became the new investment manager of the "PARVEST Opportunities USA" sub-fund. Neuflize OBC Investissements (NOI) is not a member of BNP Paribas group.

The following changes will be effective on 2nd May 2014 and will be incorporated in the next version of the Hong Kong Offering Document in due course:

Investment Advisors

TEB Portföy Yönetimi A.Ş., a Turkish investment management company member of BNP Paribas group, will become investment advisor of the "PARVEST Equity Europe Emerging" sub-fund.

TKB BNP Paribas Investment Partners J.S.C., a Russian joint-stock company member of BNP Paribas group, already investment advisor of "PARVEST Equity Russia", "PARVEST Equity Russia Opportunities" and "PARVEST Equity BRIC" sub-funds, will also become investment advisor of the "PARVEST Equity Europe Emerging" sub-fund.

The investment advisors assume pure advisory roles for the sub-funds without any discretionary power in the management of the sub-funds. There will not be any additional fees to be borne by the sub-funds or shareholders as a result of the appointment of the investment advisors.

Appendix 1 of the Prospectus – Investment Restrictions

The text of Appendix 1 of the Prospectus will be revamped solely to adopt the same terms as the English version of the UCITS IV Directive. The amendment is therefore purely cosmetic in nature and there will be no change of the investment restrictions adopted by PARVEST and its subfunds as a result of this cosmetic change.

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Rename of share class

Name change	**Sub-funds affected**
"Class MD" will be renamed as "Classic USD MD", which is purely a name change without any change in substance and there will be no impact on shareholders.	PARVEST Bond World High Yield, PARVEST Equity High Dividend Pacific, PARVEST Real Estate Securities Pacific and PARVEST Real Estate Securities World
"Privilege MD" will be renamed as "Privilege USD MD", which is purely a name change without any change in substance and there will be no impact on shareholders.	PARVEST Equity High Dividend Pacific

Other update/enhancements

- To update the definition of "Alternative Investments" to replace "Hedge Funds" by "UCITS/UCIs with alternative strategies in so far as they fulfil the requirements of paragraph 1, point (e) of the Appendix 1 of the Book I of the Prospectus".
- To update the definition of "High Yield" by (i) revising "between BB+ and D" to "below BBB" on the Standard & Poor's or Fitch rating scale; (ii) revising "Ba1 and I" to "Baa3" on the Moody's rating scale; (iii) specifying that in the case of securities rated by two or more agencies, the worst rate available will be considered.
- To enhance the definition of "Investment Grade" by specifying that in the case of securities rated by two agencies, the best rating among the two available will be taken; and in the case of securities rated by three agencies, the two best ratings among the three available will be taken.
- To update the definition of "Other Fees" to cover "reporting cost in relation with regulation requirements including the European Market Infrastructure Regulation (EMIR)".
- To update the expected leverage level under notional method for sub-funds using VaR method to calculate the global exposure in paragraph 1.4 of Appendix 2 of the Prospectus. As far as sub-funds which are authorised in Hong Kong are concerned, only the expected leverage level of PARVEST Bond World Inflation Linked is changed from "1.19" to "2.50". The maximum leverage level under commitment method remains at 2.0 (i.e. 200% of NAV).[3]
- To enhance disclosures concerning efficient portfolio management techniques by specifying in paragraph 1.8.4 of Appendix 2 of the Prospectus that the lending agent for PARVEST is BNP Paribas Securities Services (being a wholly-owned subsidiary of the BNP Paribas Group), who receives a maximum fee of 20% of the gross revenue for its services; as well as to disclose in paragraph 1.9.6 of Appendix 2 of the Prospectus the counterparties to efficient portfolio management techniques and OTC financial derivative transactions as at the date of the Prospectus.
- To enhance disclosures of "Operational & Custody Risk" as well as "Inflation Risk" in Appendix 3 of the Prospectus
- To include a new paragraph regarding the "Risk related to investments in Chinese securities subject to QFII" which covers "Tax risks", "Market risks", "Investment and repatriation risks", "Liquidation and custody risks", "Currency fluctuation risks", "Volatility risks" and "Liquidity risks" in Appendix 3 of the Prospectus. Such risk factors have been set out in the Appendix of this notice.

[3] The maximum leverage level under commitment method is an indicator only and not a regulatory limit.

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Shareholders who do not agree to the changes set out in PART A and PART B of this notice may request redemption of their shares free of charge from the date of this notice until 6pm HK time on 30 April 2014.

The Board of Directors of PARVEST accepts responsibility for the accuracy of the contents of this notice.

Hong Kong shareholders may contact BNP Paribas Investment Partners Asia Limited, the Hong Kong Representative of PARVEST, at (852) 2533 0088 for questions.

Luxembourg, 25 March 2014

The Board of Directors

PARVEST

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Appendix

Tax risks

Such investments involve risks due to fiscal measures that the Chinese government could impose on foreign investors. Currently, capital gains realised by a QFII (Qualified Foreign Institutional Investor) that has no permanent establishment in China are not taxed. However, after taking into account the risk of a modification of the current legislation by the Chinese government that would impose such capital gain taxation with retro-active effect, the sub-fund constitutes a provision in order to cover a possible taxation.[4] This risk and the subsequent provision will be re-assessed and adapted regularly.

For dividends, interests and potentially other income, the applicable tax is withheld at the source at the moment of payment. Therefore, no provision is made in the NAV Calculation.[5]

Market risks

Potential investors are advised that such investments contain a high degree of risk due to the political and economic situation of the Chinese market, which could affect the value of the investments.

Investment and repatriation risks

Such Investments involves risks due to restrictions imposed on foreign investors, counterparties, greater market volatility and a risk of lack of liquidity in certain portfolio lines. Consequently, some shares may not be available to the sub-fund due to the fact that the number of foreign shareholders authorised or the total investments permitted for foreign shareholders have been reached. Furthermore, the repatriation overseas of foreign investors' net profits, capital and dividends may be restricted or require the agreement of the government concerned. The Company will only invest if it considers that the restrictions are acceptable. However, no guarantee can be given that additional restrictions will not be imposed in the future.

Liquidation and custody risks

Shares are held in the custody of a local sub-custodian approved by the Chinese authorities, in an account opened in the name of the entity that obtained the QFII status and not in the name of the Company itself.[6]

The liquidation and custody systems on the Chinese market are not as sophisticated as those on developed markets. In certain cases, the level of these services may not be as high and the control and supervisory authorities not as developed. This can result in risks of undue delays in liquidation and to the degradation of cash or securities causing difficulties in terms of liquidity of securities.

The custodian has agreed to contribute its know-how and give due care to the selection, appointment and supervision of its correspondents. The custodian is not responsible for acts and omissions by the majority of its correspondents in certain emerging countries, including China, provided that it has not committed any negligent or deliberate error in the selection, appointment and supervision of its correspondents. Furthermore, the custodian will not be responsible for any loss whatsoever resulting from the liquidation, bankruptcy or

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[4] Provision of 10% of realized capital gains on equity and fixed income securities.

[5] The sub-funds follow the "Notice on issues relating to withholding tax of dividends and interest paid by a resident enterprise to a qualified foreign institutional investor" of January 23, 2009, QFII will be subject to withholding tax of 10% on dividends and interest it derives from China. The PRC resident enterprises that distribute dividends or pay interest to the QFII will be the withholding agent charged with deducting and withholding the 10% tax. As such, the tax should be already charged by the issuer at the source so impact directly the net asset value and there is no need to book any provision.

[6] The QFII related securities will be held in the account in the joint name of the QFII holder (who will be BNP Paribas Investment Partners Asia Limited) and the sub-fund. Such assets will belong solely to the relevant sub-fund and are segregated from the assets of the portfolio manager, QFII holder, QFII custodian, PRC brokers and their respectively clients.

insolvency of any correspondent. The responsibility of the custodian bank only covers its own negligence or serious error.
In the event of a loss in such an instance, the Company will assert its rights directly against the issuer or the banking correspondent holding the security.

Currency fluctuation risks

The majority of such investments and the income received are expressed in Chinese currency. Investors should be aware of the possibility of the sudden devaluation or revaluation of this currency.

Volatility risks

In common with other emerging markets, the Chinese market may be faced with relatively low transaction volumes, and endure periods of lack of liquidity or considerable price volatility.

Liquidity risks

The Chinese market is less liquid than developed markets. Investors should be aware that this is a long-term investment and payments and redemptions may not always be made within the expected timescales. In view of the restrictions imposed by the Chinese authorities in connection with the QFII status, the Board of Directors may have to apply to the Chinese authorities for additional QFII quota or repatriation of QFII assets. The timing of these applications is at the discretion of the Chinese authorities.

Access products risks

Access products may not be listed and are subject to the terms and conditions imposed by their issuer. These terms may lead to delays in implementing the sub-fund's investment strategy due to restrictions on the issuer acquiring or disposing of the securities underlying the access products. Investment in access products can be illiquid as there is no active market in access products.

In addition, the sub-fund is exposed to the credit risk of the issuer of the access products. An investment in the access products does not entitle the access products holder to the beneficial interest in the shares nor to make any claim against the company issuing the shares.

Investment through access products may incur costs which may in turn lead to a dilution of performance of the sub-fund when compared to a fund investing directly in similar assets. Fluctuation in the exchange rate between the denomination currency of the underlying shares and the access products will affect the value of the access products, the redemption amount and distribution amount on the access products.