

**Taikang Hong Kong ETF Series**  
**Taikang Hong Kong HKD Money Market ETF (Listed Class)**

**Taikang Asset Management (Hong Kong) Company Limited**

**January 2026**

- ***This is an active exchange traded fund.***
- ***This statement provides you with key information about this product.***
- ***This statement is a part of the Prospectus.***
- ***You should not invest in this product based on this statement alone.***

### Quick facts

<b>Stock code:</b>	3457
<b>Trading lot size:</b>	1 unit
<b>Manager:</b>	Taikang Asset Management (Hong Kong) Company Limited 泰康資產管理(香港)有限公司
<b>Trustee:</b>	CMB Wing Lung (Trustee) Limited 招商永隆信託有限公司
<b>Ongoing charges over a year:<sup>#</sup></b>	0.25%
<b>Dealing frequency:</b>	Daily
<b>Base currency:</b>	Hong Kong dollars (HKD)
<b>Trading currency:</b>	HKD counter – HKD
<b>Dividend policy:</b>	Subject to the Manager's discretion, distributions (if any) will be made on a monthly basis and paid out of net distributable income only. All Units of the Listed Class will receive distributions in the base currency (HKD) only.
<b>Financial year end of the Sub-Fund:</b>	31 December
<b>Website:<sup>^</sup></b>	<a href="https://hk.taikangasset.cn/">https://hk.taikangasset.cn/</a>

<sup>#</sup> This is only an estimate because the Sub-Fund (as defined below) is newly established. It represents the estimated ongoing expenses chargeable to the Sub-Fund over a 12-month period expressed as a percentage of the estimated average net asset value (“NAV”) of the Sub-Fund over the same period. This figure may vary from year to year. The actual figure may be different from the estimated figure.

<sup>^</sup> This website has not been reviewed by the Securities and Futures Commission (“SFC”).

### What is this product?

- Taikang Hong Kong HKD Money Market ETF (“**Sub-Fund**”) is a sub-fund of Taikang Hong Kong ETF Series which is an umbrella unit trust established by a trust deed dated 7 January 2026 governed by the laws of Hong Kong, as amended from time to time. The Sub-Fund is an actively

managed exchange traded fund (“**ETF**”) falling within Chapters 8.2 and 8.10 of the Code on Unit Trusts and Mutual Funds (“**Code**”) issued by the SFC.

- **The Sub-Fund offers both listed class of Units (“Listed Class of Units”) and unlisted classes of Units (“Unlisted Classes of Units”). For Unlisted Classes of Units, the Sub-Fund offers both tokenised Class of Units and non-tokenised Class(es) of Units. This statement contains information about the offering of the Listed Class of Units, and unless otherwise specified, references to “Units” in this statement shall refer to the “Listed Class of Units”. Investors should refer to separate statements for the offering of the tokenised or non-tokenised Unlisted Classes of Units.**
- **The Listed Class of Units of the Sub-Fund are listed on The Stock Exchange of Hong Kong Limited (“SEHK”) and are traded on the SEHK like listed stocks.**
- **Investors should note that purchase of a Unit in the Sub-Fund is not the same as placing funds on deposit with a bank or deposit-taking company and that the Sub-Fund is not subject to the supervision of the Hong Kong Monetary Authority. The Sub-Fund does not have a constant NAV and does not guarantee the repayment of investment principal. The Manager has no obligation to redeem Units at the offer value.**

## **Objective and Investment Strategy**

### ***Objective***

The Sub-Fund’s objective is to invest in short term deposits and high quality money market instruments. The Sub-Fund seeks to achieve a return in HKD in line with prevailing money market rates in Hong Kong.

### ***Strategy***

The Sub-Fund seeks to achieve its investment objective by investing primarily (i.e. not less than 70% of its NAV) in HKD denominated and settled short-term deposits and high quality money market instruments issued by governments, quasi-governments, international organisations, financial institutions and corporations.

### ***Short-term Deposits and High Quality Money Market Instruments***

In assessing whether a money market instrument is of high quality, at a minimum, the credit quality and the liquidity profile of the instrument must be taken into account. High quality money market instruments include fixed income securities (such as government bonds, and fixed and floating rate bonds), government bills, bankers’ acceptance, commercial papers, certificates of deposits, short-term notes and commercial bills.

The Sub-Fund will only invest in fixed income securities rated investment grade or above. For the purposes of the Sub-Fund, investment grade is defined as below based on the original maturity of a fixed income security:

- A long-term fixed income security which (or if the security itself does not have a credit rating, the issuer or guarantor of which) is rated BBB- / Baa3 or above by an internationally recognised credit rating agency (such as Fitch’s, Moody’s and Standard & Poor’s). For split credit ratings, the highest rating shall apply. For the avoidance of doubt, the Sub-Fund does not intend to invest in fixed income securities with a long term to maturity remaining at the time of investment. The long-term credit ratings will be considered where the Sub-Fund invests in fixed income securities which have been rated long-term credit ratings, but have a shorter term to maturity remaining (subject to the restrictions on remaining maturity, weighted average maturity and weighted average life of the portfolio of the Sub-Fund as set out below) at the time of purchase by the Sub-Fund; and
- A short-term fixed income security which (or if the security itself does not have a credit rating, the issuer or guarantor of which) is rated F3 / P-3 / A-3 or above by an internationally

recognised credit rating agency (such as Fitch's, Moody's and Standard & Poor's). For split credit ratings, the highest rating shall apply.

In any event, the Sub-Fund will not invest in unrated or low-investment grade money market instruments (including fixed income securities).

While these credit ratings provided by the relevant rating agencies serve as a point of reference, the Manager will conduct its own assessment on the credit quality based on various factors. The assessment by the Manager involves both quantitative and qualitative analyses of an issuer's credit fundamentals. Quantitative financial factors that are assessed may include, the issuer's leverage, operating margin, return on capital, interest coverage and operating cash flows. Qualitative factors that will be assessed may include, industry outlook, the firm's competitive position, corporate governance, and other non-financial factors.

The Manager will assess the liquidity profile of instruments based on various factors, included but not limited to time to cash, liquidation horizon, price volatility, external liquidity classification, daily trading volume, yield volatility and bid-ask spread of such instruments. Only instruments with sufficient liquidity will be included in the portfolio of the Sub-Fund.

There is no specific geographical allocation of the country of issue of the Sub-Fund's investments.

The Sub-Fund will invest less than 30% of its NAV in short-term deposits issued in Mainland China.

The aggregate value of the Sub-Fund's holding of instruments and deposits issued by a single entity will not exceed 10% of the total NAV of the Sub-Fund except: (i) where the entity is a substantial financial institution (as defined in the Code) and the total amount does not exceed 10% of the entity's share capital and non-distributable capital reserves, the limit may be increased to 25%; or (ii) in the case of Government and other public securities (as defined in the Code), up to 30% may be invested in the same issue; or (iii) in respect of any deposit of less than USD1,000,000 or its equivalent in HKD, where the Sub-Fund cannot otherwise diversify as a result of its size.

The Sub-Fund will maintain a portfolio with weighted average maturity not exceeding 60 days and a weighted average life not exceeding 120 days and must not purchase an instrument with a remaining maturity of more than 397 days, or two years in the case of Government and other public securities.

#### Other Investments

The Sub-Fund may also invest not more than 10% of its NAV into money market funds that are authorised by the SFC or regulated in a manner generally comparable with the requirements of the SFC and acceptable to the SFC. The money market funds invested into by the Sub-Fund may be denominated in any currency.

The Sub-Fund will not invest in convertible bonds. It will not invest in instruments with loss-absorption features (i.e. instruments that may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s)).

The Sub-Fund may borrow up to 10% of its total NAV but only on a temporary basis for the purpose of meeting redemption requests or defraying operating expenses.

For the avoidance of doubt, the Sub-Fund will not make any short sales.

#### Financial Derivative Instruments ("FDI")

The Sub-Fund may invest in FDI for hedging purposes only but not for investment purposes. Any material currency risk from non-HKD denominated investments will be appropriately hedged into HKD.

#### Sale and Repurchase Transactions

The Sub-Fund may enter into sale and repurchase transactions only on a temporary basis mainly for the purpose of meeting redemption requests. The maximum proportion and expected proportion of the NAV of the Sub-Fund that can be subject to sale and repurchase transactions, when aggregated with

the Sub-Fund's borrowing, are 10% and 10% respectively.

The Sub-Fund will not enter into securities lending and reverse repurchase transactions in respect of the Sub-Fund.

It is the intention of the Manager to sell the securities for cash equal to the market value of the securities provided in a sale and repurchase transaction, where cash obtained will not be re-invested. The Sub-Fund will not receive any non-cash collateral.

## **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 Prospectus for details including the risk factors.**

### **1. General 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. There is also no guarantee of regular dividend or distribution payments during the period you hold units of the Sub-Fund.

### **2. Active investment management risk**

- The Manager employs an actively managed investment strategy for the Sub-Fund. The Sub-Fund does not seek to track any index or benchmark, and there is no replication or representative sampling conducted by the Manager. It may fail to meet its investment objective as a result of the Manager's selection of investments, and/or the implementation of processes which may cause the Sub-Fund to underperform as compared to prevailing money market rates or other money market funds with a similar objective.

### **3. Risks relating to money market instruments/ fixed income securities**

#### Short-term instruments risk

- As the Sub-Fund invests significantly in short-term instruments with short maturities, it means the turnover rates of the Sub-Fund's investments may be relatively high and the transaction costs incurred as a result of the purchase or sale of short-term instruments may also increase which in turn may have a negative impact on the NAV of the Sub-Fund.

#### Credit/counterparty risk

- The Sub-Fund is exposed to the credit/default risk of issuers of the money market instruments and fixed income securities that it invests in. The Sub-Fund is exposed to the risk that a counterparty in a transaction may default in its obligation to settle the transaction, or may be unable or unwilling to make timely payments on principal and/or interest. Where its counterparty does not perform its obligations under a transaction, the Sub-Fund may sustain substantial losses.

#### Interest rate risk

- Investment in the Sub-Fund is subject to interest rate risk. In general, the prices of fixed income securities rise when interest rates fall, whilst their prices fall when interest rates rise. Changes in monetary policies, such as interest rates policies, may have an adverse impact on the pricing of fixed income securities, and thus the return of the Sub-Fund.

#### Downgrading risk

- The credit rating of a fixed income security or its issuer may be downgraded. In the event of such downgrading, the value of the Sub-Fund may be adversely affected. The Manager may or may not be able to dispose of the fixed income securities that are being downgraded. If the Sub-Fund continues to hold the relevant securities, it will be subject to additional risk of loss.

#### Valuation risk

- Valuation of the Sub-Fund's investments may involve uncertainties and judgmental determinations, and independent pricing information may not at all times be available. If such valuations should prove to be incorrect, the NAV of the Sub-Fund may be adversely affected.

#### Volatility and liquidity risk

- The fixed income securities in some of the markets that the Sub-Fund invests in (e.g. emerging markets) may be subject to higher volatility and lower liquidity compared to more developed markets. The prices of securities traded in such markets may be subject to fluctuations.

#### Sovereign debt risk

- The Sub-Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Sub-Fund to participate in restructuring such debts. The Sub-Fund may suffer significant losses when there is a default of sovereign debt issuers.

#### Credit rating risk

- Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.

### **4. Risks associated with bank deposits**

- Bank deposits are subject to the credit risks of the relevant financial institutions. The Sub-Fund's deposit may not be protected by any deposit protection schemes, or the value of the protection under the deposit protection schemes may not cover the full amount deposited by the Sub-Fund. Therefore, if the relevant financial institution defaults, the Sub-Fund may suffer losses as a result.

### **5. Currency and conversion risks**

#### Currency risk

- Underlying investments of the Sub-Fund may be denominated in currencies 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 currency and conversion risk

- RMB is currently not freely convertible and is subject to exchange controls and restrictions. As RMB is not freely convertible, currency conversion is subject to availability of RMB at the relevant time. Any depreciation of the value of RMB could adversely affect the value of investors' investments in the Sub-Fund.

### **6. Concentration risk**

- The Sub-Fund's investments are concentrated in HKD denominated deposits and money market instruments. The value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments.

### **7. Emerging market risk**

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

### **8. Risks associated with investment in FDI / Hedging risk**

- 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 Sub-Fund. Exposure to FDI may lead to a high risk of significant loss by the Sub-Fund.
- Insofar as the Sub-Fund acquires FDI for hedging, it will be subject to additional risks. There

can be no assurance that any hedging techniques will fully and effectively eliminate the risk exposure of the Sub-Fund.

- FDI may be illiquid and are complex in nature. In adverse situations, the Sub-Fund's use of derivatives for hedging may become ineffective and the Sub-Fund may suffer significant losses. The price of a FDI can be volatile which may result in losses in excess of the amount invested in the FDI by the Sub-Fund. A FDI is subject to the risk that the counterparty of the instrument will not fulfil its obligations to the Sub-Fund, and this may result in losses to the Sub-Fund.

#### **9. Differences in dealing arrangements between Listed Class of Units and Unlisted Classes of Units**

- Investors of Listed Class of Units and Unlisted Classes of Units are subject to different pricing and dealing arrangements. The NAV per unit of each of the Listed Class of Units and Unlisted Classes of Units may be different due to different fees and cost applicable to each class. The trading hours of the SEHK applicable to the Listed Class of Units in the secondary market and the dealing deadlines in respect of the Unlisted Classes of Units are also different.
- Units of the Listed Class of Units are traded on the stock exchange in the secondary market on an intraday basis at the prevailing market price (which may diverge from the corresponding NAV), while units of the Unlisted Classes of Units are sold through intermediaries based on the dealing day-end NAV and are dealt at a single valuation point with no access to intraday liquidity in an open market. Depending on market conditions, investors of the Unlisted Classes of Units may be at an advantage or disadvantage compared to investors of the Listed Class of Units.
- In a stressed market scenario, investors of the Unlisted Classes of Units could redeem their Units at the NAV while investors of the Listed Class of Units in the secondary market could only redeem at the prevailing market price (which may diverge from the corresponding NAV) and may have to exit the Sub-Fund at a significant discount. On the other hand, investors of the Listed Class of Units could sell their Units on the secondary market during the day thereby crystallising their positions while investors of the Unlisted Classes of Units could not do so in a timely manner until the end of the day.

#### **10. Trading risk**

- The trading price of Units on the SEHK is driven by market factors such as the demand and supply of Units. Therefore, the Units may trade at a substantial premium or discount to the Sub-Fund's NAV and may deviate significantly from the NAV per Unit.
- As investors will pay certain charges (e.g. trading fees and brokerage fees) to buy or sell Units on the SEHK, investors may pay more than the NAV per Unit when buying Units on the SEHK, and may receive less than the NAV per Unit when selling Units on the SEHK.

#### **11. Trading differences risk**

- As the markets in which the Sub-Fund invests may be open when Listed Class Units in the Sub-Fund are not priced, the value of the securities in the Sub-Fund's portfolio may change on days when investors will not be able to purchase or sell the Listed Class Units. Differences in trading hours between markets in which the Sub-Fund invests and the SEHK may also increase the level of premium or discount of the Unit price to the Sub-Fund's NAV.

#### **12. Reliance on market maker risk**

- Although the Manager will ensure that at least one market maker will maintain a market for Units and that at least one market maker gives not less than three months' prior notice before termination of market making under the relevant market maker agreement, liquidity in the market for the Units may be adversely affected if there is no or only one market maker for the Units. There is also no guarantee that any market making activity will be effective.

#### **13. Termination risk**

- The Sub-Fund may be terminated early under certain circumstances, for example, if the size of the Sub-Fund falls below HKD10,000,000. Investors may not be able to recover their investments and suffer a loss when the Sub-Fund is terminated.

## How has the fund performed?

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

## Is there any guarantee?

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

## What are the fees and charges?

### Charges incurred when trading the Units on the SEHK

<u>Fee</u>	<u>What you pay</u>
<b>Brokerage fee</b>	Market rates
<b>Transaction levy</b>	0.0027% <sup>1</sup> of the trading price
<b>SEHK trading fee</b>	0.00565% <sup>2</sup> of the trading price
<b>Accounting and Financial Reporting Council ("AFRC") transaction levy</b>	0.00015% <sup>3</sup> of the trading price
<b>Stamp duty</b>	Nil

<sup>1</sup> Transaction levy of 0.0027% of the trading price of the Units, payable by each of the buyer and the seller.

<sup>2</sup> SEHK trading fee of 0.00565% of the trading price of the Units, payable by each of the buyer and the seller.

<sup>3</sup> AFRC transaction levy of 0.00015% of the trading price of the Units, payable by each of the buyer and the seller.

### 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.

<u>Fee</u>	<u>Annual rate (as a % of the relevant Class of Units' NAV)</u>
<b>Management fee*</b>	0.15% p.a.
<b>Trustee Fee</b>	0.04% p.a., subject to a minimum monthly fee of HKD24,000 in respect of the aggregate of the Trustee Fee and the Custodian Fee for the Sub-Fund
<b>Custodian Fee</b>	0.01% p.a., subject to a minimum monthly fee of HKD24,000 in respect of the aggregate of the Trustee Fee and the Custodian Fee for the Sub-Fund
<b>Performance fee</b>	Not applicable

\* The fees may be increased up to the permitted maximum level as set out in the Prospectus by giving not less than one month's notice (or not less than one week's notice if such increase in fees only applies to Listed Class Unit of the Sub-Fund) to unitholders.

### Other fees

You may have to pay other fees and charges when dealing in the Units of the Sub-Fund. Please refer to the Prospectus for details.

## Additional Information

The Manager will publish important news and information with respect to the Sub-Fund (in the English and Chinese) on the following website: <https://hk.taikangasset.cn/><sup>1</sup>, including:

- the Prospectus and this Product Key Facts Statement (as revised from time to time);
- the latest audited annual and unaudited interim financial reports (in English only);
- any public announcements made by the Manager in respect of the Sub-Fund, including information in relation to the Sub-Fund, notices of the suspension of the creation and redemption of the Units, the suspension of the calculation of the NAV, changes in fees and charges and the suspension and resumption of trading of Units;
- any notices relating to material changes to the Sub-Fund that may have an impact on its investors, including notices for material alterations or additions to the offering documents and/or the constitutive documents of the Sub-Fund;
- the real time or near real-time indicative NAV per Unit in HKD of the Sub-Fund updated every 15 seconds throughout the SEHK trading hours;
- the last NAV of the Sub-Fund in HKD and the last NAV per Unit of the Sub-Fund in HKD;
- the full holdings of the Sub-Fund (updated on a monthly basis within one month of the end of each month);
- the latest list of the participating dealers and market makers; and
- the ongoing charges figure and past performance information of the Sub-Fund.

## 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.

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