

Singapore, 14 January 2019

## IMPORTANT ANNOUNCEMENT

### LYXOR CHINA ENTERPRISE (HSCEI) UCITS ETF (STOCK CODE: P58) LYXOR MSCI AC ASIA-PACIFIC EX JAPAN UCITS ETF (STOCK CODE: P60) (the “ETFs”)

- ***Merger of the Lyxor China Enterprise (HSCEI) UCITS ETF (Stock Code: P58)(the “Lyxor China Enterprise (HSCEI) UCITS ETF”) into the Multi Units Luxembourg – Lyxor China Enterprise (HSCEI) UCITS ETF (Stock Code: To be confirmed<sup>1</sup>)(the “MUL Lyxor China Enterprise (HSCEI) UCITS ETF”)***
- ***Merger of the Lyxor MSCI AC Asia-Pacific Ex Japan UCITS ETF (Stock Code: P60) into the Multi Units Luxembourg – Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF (Stock Code: To be confirmed<sup>1</sup>)(the “MUL Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF”)***
- ***Suspension of trading of units of the ETFs from 15 February 2019 and proposed delisting of the ETFs from the Singapore Exchange Securities Trading Limited (“SGX-ST”) due to the mergers***

Lyxor International Asset Management (the “**Manager**”) as the manager of the ETFs and MUL ETFs (namely, the MUL Lyxor China Enterprise (HSCEI) UCITS ETF and MUL Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF) hereby announces that the ETFs will be merged into the MUL ETFs:

<b>Last trading day of the ETFs on the SGX-ST</b>	14 February 2019
<b>Effective date of the mergers</b>	21 February 2019
<b>Commencement of trading of shares of the MUL ETFs on SGX-ST</b>	27 February 2019

<sup>1</sup> The stock code for the MUF ETF will be available on the SGX-ST website at <http://www.sgx.com> from the date of commencement of trading of the shares on the SGX-ST.

Investors should note that the dates mentioned above may be subject to change.

The mergers were approved on 18 December 2018 by the home regulator of the ETFs, the *Autorité des Marchés Financiers* of France (the “**AMF**”). The mergers were also approved by the home regulator of the MUL ETFs, the *Commission de Surveillance du Secteur Financier* (the “**CSSF**”).

The SGX-ST granted its approval-in-principle of the proposed merger of the ETFs into the MUL ETFs on 14 January 2019.

The SGX-ST’s approval of the proposed merger is conditional upon the Manager’s submission of a written confirmation to the SGX-ST that:

- (1) the proposed merger and the timeline for the merger of the ETFs into the MUL ETFs is in accordance with the applicable laws, regulations and agreements governing the ETFs;
- (2) unitholders (as named in the depository register maintained by CDP for the ETFs) will be informed in writing of the proposed merger promptly upon the announcement of the proposed merger on SGXNET;
- (3) the costs and expenses of the merger of the ETFs and the merger with the MUL ETFs will not be borne by the ETFs, the MUL ETFs and the unitholders; and
- (4) the designated market maker will stand ready to quote bid and ask prices prior to the suspension of the listing and quotation of the ETFs to ensure that the unitholders who wish to liquidate their positions in the ETFs before the close of the Last Trading Day are able to do so.

The MUL ETFs are expected to be admitted to the Official List of the SGX-ST for trading on the MAINBOARD on 27 February 2019.

Redemption charges which are imposed on party(ies) authorised on the primary market for the redemptions of units of the ETFs will be waived for 30 calendar days following the issue date of this announcement. As always, the Manager will not charge any subscription or redemption fee on the purchase or sale of the ETF’s units on the SGX-ST (i.e. in the secondary market).

Investors will be notified of any further developments in relation to the mergers, proposed suspension and delisting of the ETFs via further announcements on the SGXNET.

## Rationale for the mergers

To improve economic efficiency and provide investors with an investment vehicle that is recognised internationally, it has been decided, at the request of the Manager, to merge the ETFs into the MUL ETFs which are sub-funds of the Luxembourg SICAV Multi Units Luxembourg.

The investment objective of the ETFs and MUL ETFs is to track their respective benchmark indices (each a “**Benchmark Index**”):

- (1) the Lyxor China Enterprise (HSCEI) UCITS ETF and the MUL Lyxor China Enterprise (HSCEI) UCITS ETF track the Hang Seng China Enterprises Index Net Total Return index; and
- (2) the Lyxor MSCI AC Asia-Pacific Ex Japan UCITS ETF and the MUL Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF track the MSCI AC Asia-Pacific Ex Japan Net Total Return index.

The Annex sets out for reference a comparison of key characteristics of each ETF and the respective MUL ETF which the ETF will merge into.

## Summary of proposed procedure of the mergers

The following is an indicative timeline of the proposed mergers:

Event	Indicative Date
Suspension of the primary market for the ETFs	14 February 2019 after 6.30 pm Paris time
Last Trading Day of the ETFs	14 February 2019
Suspension of trading of units of the ETFs on the SGX-ST	From 15 February 2019 (date included)
Book closure date	21 February 2019 (5 p.m. Singapore time)
Effective Date of the Mergers	21 February 2019

Event	Indicative Date
Commencement of trading of shares of the MUL ETFs on SGX-ST	27 February 2019
Delisting of the ETFs from SGX-ST	27 February 2019

Class USD of each of the ETFs (which are currently listed on the SGX-ST) will be merged into Class USD of the respective MUL ETFs on 21 February 2019 (the “**Effective Date of the Mergers**”) by a transfer of assets of the Class USD of the ETFs to the Class USD of the respective MUL ETFs.

Class USD units of the ETFs held by investors as at 21 February 2019 (5 p.m. Singapore time) will be converted into Class USD shares of the respective MUL ETFs in a 1:1 conversion rate. This will mean that a unit of the Class USD of each ETF will, after the conversion, represent a share of the Class USD of the relevant MUL ETF instead.

In order to determine the number of units of each of the ETFs held by investors as at 21 February 2019 (5 p.m. Singapore time), it is intended that the trading of units of the ETFs in the primary market will be suspended with effect from 14 February 2019 after 6.30 p.m. Paris time.

Trading of units of the ETFs on the secondary market (i.e. trading on SGX-ST) will be suspended with effect from 15 February 2019.

**Accordingly, the last day on which investors can buy or sell units of the ETFs on the SGX-ST will be 14 February 2019 (“Last Trading Day”). Investors should exercise caution when buying or selling units of the ETFs on the SGX-ST. Investors should refrain from short selling units of the ETFs on the Last Trading Day as they may not be able to buy units of the ETFs to close out their positions.**

It is expected that investors can begin trading their shares of the MUL ETFs on SGX-ST from 27 February 2019.

It is expected that the ETFs will be delisted from SGX-ST on 27 February 2019.

No costs and expenses in connection with the mergers will be charged to the ETFs.

**In view of the foregoing, investors who have bought the units of the ETFs via the SGX-ST have the following options:**

**Option 1**

Investors may choose to participate in the mergers and receive share(s) of the relevant MUL ETFs in exchange for unit(s) of their current holding of the ETFs. In such case, no action on their part is required.

**Option 2**

With effect from the date hereof and up to the Last Trading Day, investors may choose to participate in the mergers and buy additional units in the ETFs on the SGX-ST from the market maker of the ETFs who will stand ready to sell the units at the price which the market maker would have proposed under normal conditions.

The usual clearing and brokerage fees (and the applicable goods and services taxes on such fees) for buying units on the SGX-ST will apply.

Investors should exercise caution when buying units of the ETFs.

**Option 3**

With effect from the date hereof and up to the Last Trading Day, investors may choose to sell all or some of their units in the ETFs on the SGX-ST to the market maker of the ETFs who will stand ready to buy the units at the price which the market maker would have proposed under normal conditions.

The usual clearing and brokerage fees (and the applicable goods and services taxes on such fees) for selling units on the SGX-ST will apply.

Investors should exercise caution when selling units of the ETFs.

Investors who have not sold all of their units of the ETFs by the Last Trading Day will have their units converted to represent shares of the relevant MUL ETFs (in a 1:1 conversion rate) and will therefore hold shares of the MUL ETFs instead of the ETFs. Investors who hold units in the Lyxor

China Enterprise (HSCEI) UCITS ETF will hold shares of the MUL Lyxor China Enterprise (HSCEI) UCITS ETF and investors who hold units in the Lyxor MSCI AC Asia-Pacific Ex Japan UCITS ETF will hold shares of the MUL Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF.

**Investors who wish to participate in the mergers should seek professional advice to ascertain the possible tax consequences which they may encounter by participating in the mergers, including by holding shares in the MUL ETFs as a result of the mergers.**

Please note that the dates mentioned in this announcement may be subject to change, such as if pursuant to any requirement of any exchange or any regulatory authority and/or due to any other factors that are not within the control of the Manager.

The Manager will make a subsequent announcement on the SGXNET should there be any material change to the information provided in this announcement.

Please do not hesitate to contact Lyxor ETF Client Service Hotline by phone at +65 6423-2638 or by email at [info@lyxoretf.com.sg](mailto:info@lyxoretf.com.sg), should you have questions regarding the above matter.

Unless otherwise defined in this announcement, terms and expressions used in this announcement shall have the same meanings ascribed to them under the current prospectuses of the ETFs.

The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed in this announcement and its decision is not an indication of the merits of the proposed mergers and voluntary delisting of the ETFs. **If you are in any doubt about the content of this announcement, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser. The Manager or any other parties shall not be liable to investors for any tax liability that investors may incur.**

## Annex

**Table comparison between Lyxor China Enterprise (HSCEI) UCITS ETF and MUL Lyxor China Enterprise (HSCEI) UCITS ETF**

	<b>ETF</b>	<b>MUL ETF</b>
<b>Name</b>	LYXOR CHINA ENTERPRISE (HSCEI) UCITS ETF	LYXOR CHINA ENTERPRISE (HSCEI) UCITS ETF
<b>Benchmark Index</b>	Hang Seng China Enterprises Index Net Total Return	Hang Seng China Enterprises Index Net Total Return
<b>Investment objective</b>	To provide investment results that closely correspond to the performance of the Benchmark Index, denominated in Hong Kong dollars insofar as possible minimising the tracking error between the scheme's performance and that of the Benchmark Index.	To track both the upward and the downward evolution of the Benchmark Index, denominated in Hong Kong dollars, and representative of the major Chinese equities known as H-shares, while minimising the volatility of the difference between the return of the scheme and the return of the Benchmark Index.
<b>Anticipated ex-post tracking error</b>	0.30%	1.00%
<b>Applicable law</b>	French law	Luxembourg law
<b>Supervisory authority</b>	AMF	CSSF
<b>Legal form</b>	A common investment fund (FCP)	The sub-fund of a SICAV investment company
<b>Depository / Custodian Bank</b>	Société Générale (in France)	Société Générale Bank & Trust S.A. (in Luxembourg)
<b>Registrar</b>	Société Générale (in France)	Société Générale Bank & Trust S.A. (in Luxembourg)
<b>Entity appointed to calculate NAV</b>	Société Générale (in France)	Société Générale Bank & Trust S.A. (in Luxembourg)

<b>Statutory auditor</b>	PricewaterhouseCoopers Audit (in France)	PricewaterhouseCoopers, Société coopérative (in Luxembourg)
<b>Unit / share class (to be listed on the SGX-ST)</b>	Class USD	Class USD

**Table comparison between Lyxor MSCI AC Asia-Pacific Ex Japan UCITS ETF and MUL Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF**

	<b>ETF</b>	<b>MUL ETF</b>
<b>Name</b>	LYXOR MSCI AC ASIA-PACIFIC EX JAPAN UCITS ETF	LYXOR MSCI AC ASIA-PACIFIC EX JAPAN UCITS ETF
<b>Benchmark Index</b>	MSCI AC Asia-Pacific Ex Japan Net Total Return index	MSCI AC Asia-Pacific Ex Japan Net Total Return index
<b>Investment objective</b>	To provide investment results that closely correspond to the performance of the Benchmark Index, denominated in US Dollars insofar as possible minimising the tracking error between the scheme's performance and that of the Benchmark Index.	To track both the upward and the downward evolution of the Benchmark Index denominated in US Dollars and representative of the overall performance of large-cap and mid-cap stocks across main Asian Pacific excluding Japan, while minimising the volatility of the difference between the return of the scheme and the return of the Benchmark Index.
<b>Anticipated ex-post tracking error</b>	0.08%	1.00%
<b>Applicable law</b>	French law	Luxembourg law
<b>Supervisory authority</b>	AMF	CSSF
<b>Legal form</b>	A common investment fund (FCP)	The sub-fund of a SICAV investment company

<b>Depository / Custodian Bank</b>	Société Générale (in France)	Société Générale Bank & Trust S.A. (in Luxembourg)
<b>Registrar</b>	Société Générale (in France)	Société Générale Bank & Trust S.A. (in Luxembourg)
<b>Entity appointed to calculated NAV</b>	Société Générale (in France)	Société Générale Bank & Trust S.A. (in Luxembourg)
<b>Statutory auditor</b>	PricewaterhouseCoopers Audit (in France)	PricewaterhouseCoopers, Société coopérative (in Luxembourg)
<b>Unit / share class (to be listed on the SGX-ST)</b>	Class USD	Class USD

**Important:** The comparisons set out above are for reference only. The prospectus and product highlights sheet for the MUL ETFs are available and may be obtained from [www.lyxoretf.com.sg](http://www.lyxoretf.com.sg). Investors should read the relevant prospectus(es) before deciding whether to hold shares in the MUL ETFs. The value of shares in the MUL ETFs and the income accruing to the shares, if any, may fall or rise. The MUL ETFs, like the ETFs, invest in financial derivative instruments such as swap transactions for investment, hedging and/or efficient portfolio management and the net asset value of shares may have a high volatility due to the potential volatility of the relevant Benchmark Index.