

Singapore, 31 January 2019

## **ANNOUNCEMENT – WAIVERS FROM COMPLIANCE WITH CERTAIN RULES OF THE SGX-ST LISTING MANUAL**

### **LYXOR CHINA ENTERPRISE (HSCEI) UCITS ETF (STOCK CODE: P58)**

### **LYXOR MSCI AC ASIA PACIFIC EX JAPAN UCITS ETF (STOCK CODE: P60) (the “MUL ETFs”)**

Lyxor International Asset Management (the “**Manager**”), as the manager of the MUL ETFs and on behalf of Multi Units Luxembourg (“**MUL**”), wishes to announce that pursuant to the listing application submitted on 30 November 2018 to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the ETFs, the SGX-ST has on 14 January 2019 granted to the MUL ETFs waivers from compliance with the following listing rules under the SGX-ST’s listing manual (the “**Listing Rules**”), and the reasons for seeking the waivers are set out below for investors’ information:

- (1) **Listing Rule 220(2)**, which requires (in respect of secondary listings) the financial statements submitted with the listing application, and future periodic financial reports, need only be reconciled to SFRS(I)s, or IFRS, or US GAAP.

The ETFs will be subject to the applicable Luxembourg accounting standards and requirements, and the financial statements and reports of the ETFs would have to and will comply with the Luxembourg Generally Accepted Accounting Principles. There is also no requirement under the applicable Luxembourg rules for the financial statements of the ETFs (upon listing of shares of the MUL ETFs on the SGX-ST) to be reconciled to Singapore statements of accounting or the international accounting standards (i.e. the FRS, IFRS or US GAAP).

Lyxor International Asset Management  
Tours Société Générale  
17 cours Valmy  
92987 Paris- La Défense Cedex  
France  
[www.lyxor.com](http://www.lyxor.com)

The SGX-ST granted the MUL ETFs a waiver from compliance with Listing Rule 220(2) subject to a confirmation that the MUL ETFs will comply with the applicable Luxembourg accounting standards and requirements on a continuing basis.

- (2) **Listing Rule 404(2)(a)**, which requires an investment fund denominated in a foreign currency to have a minimum asset size of at least US\$20 million (or its equivalent in other currencies).

The listing application was made in conjunction with the proposed merger of the Lyxor China Enterprise (HSCEI) UCITS ETF and the Lyxor MSCI AC Asia-Pacific ex Japan UCITS ETF (which have been admitted to the Official List of the SGX-ST for trading on the MAINBOARD since 19 October 2006) (the “**FCP ETFs**”) into the MUL ETFs.

As the merger of each of the Class USD of the FCP ETFs (which are listed on the SGX-ST) into each of the Class USD of the MUL ETFs (to be listed on the SGX-ST) will take the form of a 1:1 share trade, MUL expects the Class USD of each of the MUL ETFs to have approximately the same asset size as the respective Class USD of the FCP ETFs as at the merger date.

As of 21 November 2018, the NAV of the Class USD of the Lyxor China Enterprise (HSCEI) UCITS ETF and the Lyxor MSCI AC Asia-Pacific ex Japan UCITS ETF was in the region of USD 132 million and USD 20 million respectively.

However, MUL will have no control over any potential redemptions from the Class USD of each of the FCP ETFs during the period leading up to the merger and potential redemptions and exchange rate fluctuations may impact the asset size of the Class USD of each of the FCP ETFs as at the merger date.

MUL is of the view that the designated market maker for the MUL ETFs would still be able to ensure day-to-day liquidity even if the listing size of the MUL ETFs is less than US\$20 million.

In view of the above, MUL had requested for a waiver from the requirement of Listing Rule 404(2)(a) in respect of the MUL ETFs and a waiver thereof was granted by the SGX-ST subject to the appointment of at least one designated market maker (approved by the Member Supervision function of the SGX-ST) to make market in the MUL ETFs' shares to ensure there will be a ready market for the trading of the MUL ETFs' shares.

- (3) **Listing Rule 404(4)**, which provides that a newly formed investment fund must not change its investment objectives and policies in the first three years unless approved by a special resolution of the shareholders in a general meeting.

The MUL ETFs will be established in Luxembourg and will be subject to applicable Luxembourg laws which permit changes to the MUL ETFs' investment objective or policies subject to such requirements as may be imposed by the Commission de Surveillance du Secteur Financier and the depository of the MUL ETFs and prior notice of such changes being given to the shareholders in certain situations.

There is also no requirement to seek shareholders' approval for a change in the investment objective or policies of the MUL ETFs under the applicable Luxembourg laws.

In view of the above, MUL had requested for a waiver from the requirement of Listing Rule 404(4) in respect of the MUL ETFs and a waiver therefore was granted by the SGX-ST to the extent that Luxembourg laws do not require shareholders' approval for the changes to be effected, subject to prior notice being given to shareholders and CDP in the form of a written notice as well as an announcement on SGXNET.

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.

The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed in this announcement. **This announcement is published for your information only. 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.**