



### Mirae Asset Securities (HK) Limited

#### 10,000,000 European Style Cash Settled Long Certificates expiring on 12 February 2027 relating to the MSCI Japan Net Total Return (USD) Index with a Daily Leverage of 3x (the “Certificates”)

- The terms set out in this Term Sheet are a summary of, and are subject to the terms and conditions set out in Mirae Asset Securities (HK) Limited’s (the “**Issuer**”) base listing document dated 23 March 2023 (the “**Base Listing Document**”) and the supplemental listing document to be dated on or about 13 February 2024 (the “**Supplemental Listing Document**”, together with the Base Listing Document, the “**Listing Documents**”).
- The Supplemental Listing Document may specify terms which shall, to the extent so specified or to the extent inconsistent with the relevant terms of this Term Sheet, replace or modify the relevant terms for the purpose of this series of Certificates.
- **If you are in any doubt on whether Certificates are suitable for you, you should consult your financial advisers or such other professional advisers to the extent that you consider necessary.**
- Please read the Listing Documents and the risk factors stated in such Listing Documents and in this Term Sheet carefully. **You should not invest in Certificates if you do not understand the risks or are not willing to assume the risks. The Certificates are classified as capital markets products other than prescribed capital markets products<sup>1</sup> and Specified Investment Products (SIPs)<sup>2</sup>, and may only be sold to retail investors with enhanced safeguards, including an assessment of such investors’ investment knowledge or experience.**
- This Term Sheet does not constitute or form part of any offer, or invitation, to subscribe for or to sell, or solicitation of any offer to subscribe for or to purchase, Certificates or other securities of the Issuer, nor is it calculated to invite, nor does it permit the making of, offers by the public to subscribe for or purchase for cash or other consideration Certificates or other securities of the Issuer. This Term Sheet may not be distributed or circulated by you to any person other than in a manner which complies with the restrictions set out in the section entitled “Sales Restrictions” in the Base Listing Document.

#### A. TERMS OF THE ISSUE

<b>SGX Counter Full Name (SGX Stock Code) and ISIN</b>	SGX Counter Full Name: MSCIJP3xLongMA270212US\$ SGX Stock Code: To be determined ISIN: HK0000990660	<b>Issue Size</b>	10.00 million Certificates
<b>Type</b>	European Style Cash Settled Long Certificates	<b>Launch Date</b>	7 February 2024
<b>Index</b>	MSCI Japan Net Total Return (USD) Index (Bloomberg: .NDDUJN)	<b>Issue/Initial Settlement Date</b>	13 February 2024
<b>Index Sponsor</b>	MSCI	<b>Expected Listing Date</b>	14 February 2024
<b>Calculation Agent</b>	Mirae Asset Securities (HK) Limited	<b>Expiry Date</b>	12 February 2027 (if the Expiry Date is not a Business Day, then the Expiry Date shall fall on the preceding Business Day and subject to adjustment of the Valuation Date upon the occurrence of Market Disruption Events as set out in the Conditions of the Certificates)
<b>Reference Level<sup>3</sup></b>	The closing level of the Index on 13 February 2024, which will be specified in the Supplemental Listing Document		
<b>PR Index</b>	MSCI Japan USD Price Return Index (Bloomberg ticker: M3JP Index)		
<b>Issue Price</b>	USD 1.00		
<b>Strike Level</b>	Zero	<b>Valuation Date</b>	10 February 2027 or if such day is not an Index Business Day, the immediately preceding Index Business Day.
<b>Daily Leverage</b>	3x (within the Leverage Strategy as described in Appendix I)		

<sup>1</sup> As defined in the Securities and Futures (Capital Markets Products) Regulations 2018.

<sup>2</sup> As defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products.

<sup>3</sup> These figures are calculated as at, and based on information available to the Issuer on or about the Issue Date. The Issuer is not obliged, and undertakes no responsibility to any person, to update or inform any person of any changes to the figures after the Issue Date.

<b>Notional Amount per Certificate</b>	USD 1.00		
<b>Management Fee (p.a.)<sup>4</sup></b>	0.30%	<b>Last Trading Date</b>	The date falling 5 Business Days immediately preceding the Expiry Date, currently being 4 February 2027
<b>Gap Premium (p.a.)</b>	2.00%, is a hedging cost against extreme market movements overnight.		
<b>Funding Cost<sup>5</sup></b>	The annualised costs of funding, referencing a publicly published base rate plus spread.	<b>Rebalancing Cost<sup>5</sup></b>	The transaction costs (if applicable), computed as a function of leverage and daily performance of the Index.
<b>Board Lot</b>	100 Certificates	<b>Settlement Date</b>	No later than five Settlement Business Days following the Expiry Date, currently being 22 February 2027 “ <b>Settlement Business Day</b> ” means a Business Day on which the banks are open for business in the United States.
<b>Relevant Stock Exchange for the Certificates</b>	The Singapore Exchange Securities Trading Limited (“ <b>SGX-ST</b> ”)	<b>Listing</b>	Application will be made for the listing of, and permission to deal in, the Certificates on the SGX-ST and the issue of the Certificates is conditional upon listing being granted
<b>Relevant Stock Exchange for the Index</b>	Tokyo Stock Exchange (the “ <b>TSE</b> ”)		
<b>Related Exchange</b>	Each exchange or quotation system where trading has a material effect (as predetermined by the Calculation Agent) on the overall market for options or futures relating to the Index or the PR Index		
<b>Clearing System</b>	The Central Depository (Pte) Limited (“ <b>CDP</b> ”)	<b>Warrant Agent</b>	CDP
<b>Exercise</b>	Automatic Exercise	<b>Settlement Method</b>	Cash Settlement
<b>Settlement Currency</b>	United States Dollar (“ <b>USD</b> ”)	<b>Index Currency</b>	USD
<b>Business Day and Index Business Day</b>	A “ <b>Business Day</b> ” is a day on which the SGX-ST is open for dealings in Singapore during its normal trading hours and banks are open for business in Singapore. An “ <b>Index Business Day</b> ” is a day on which the value of the Index is published by the Index Sponsor or, as the case may be, the successor Index Sponsor.	<b>Governing Law</b>	Singapore law
<b>Cash Settlement Amount</b>	In respect of each Certificate, shall be an amount payable in the Settlement Currency equal to: Notional Amount per Certificate x Closing Level Please refer to the “Information relating to the European Style Cash Settled Long Certificates” section of the Supplemental Listing Document for examples and illustrations of the calculation of the Cash Settlement Amount.		
<b>Closing Level</b>	In respect of each Certificate, shall be an amount payable in the Settlement Currency equal to: $\left( \frac{\text{Final Reference Level} \times \text{Final Exchange Rate}}{\text{Initial Reference Level} \times \text{Initial Exchange Rate}} - \text{Strike Level} \right) \times \text{Hedging Fee Factor}$		
<b>Hedging Fee Factor</b>	In respect of each Certificate, shall be an amount calculated as: Product (for t from 2 to Valuation Date) of (1 – Management Fee x (ACT (t-1;t) ÷ 365)) x (1 – Gap Premium (t-1) x (ACT (t-1;t) ÷ 365)), where: “t” refers to “ <b>Observation Date</b> ” which means each Index Business Day (subject to Market Disruption Event) from (and including) the Index Business Day immediately preceding the Expected Listing Date to the Valuation Date; and ACT (t-1;t) means the number of calendar days between the Index Business Day immediately preceding the Observation Date (which is “t-1”) (included) and the Observation Date (which is “t”) (excluded).		

<sup>4</sup> Please note that the Management Fee may be increased up to a maximum of 3% p.a. on giving one month’s notice to investors. Any increase in the Management Fee will be announced on the SGXNET. Please refer to the section of the Supplemental Listing Document entitled “Fees and Charges” for further details of the fees and charges payable and the maximum of such fees as well as other ongoing expenses that may be borne by the Certificates.

<sup>5</sup> These costs are embedded within the Leverage Strategy.

	Please refer to the “Information relating to the European Style Cash Settled Long Certificates” section of the Supplemental Listing Document for examples and illustrations of the calculation of the Hedging Fee Factor.
<b>Initial Reference Level</b>	1,000
<b>Final Reference Level</b>	The closing level of the Leverage Strategy on the Valuation Date. Please refer to Appendix I “Specific Definitions relating to the Leverage Strategy” for an illustration of the calculation of the closing level of the Leverage Strategy.
<b>Initial Exchange Rate</b>	1
<b>Final Exchange Rate</b>	1
<b>Air Bag Mechanism</b>	The “ <b>Air Bag Mechanism</b> ” refers to the mechanism built in the Leverage Strategy and which is designed to reduce the Leverage Strategy exposure to the Index during extreme market conditions. If the PR Index falls by 20% or more during Index Business Day (which represents an approximately 60% loss after a 3 times leverage), the Air Bag Mechanism is triggered and the Leverage Strategy is adjusted intra-day. The Air Bag Mechanism reduces the impact on the Leverage Strategy if the Index falls further, but will also maintain a reduced exposure to the Index in the event the Index starts to rise after the Air Bag Mechanism is triggered, thereby reducing its ability to recoup losses. Trading of Certificates is suspended for at least 30 minutes of continuous trading after the Air Bag is triggered. The resumption of trading is subject to the SGX-ST’s requirements of at least 15 minutes after the SGX-ST approves the request from the Issuer to resume trading on the Certificates, rounded to the next quarter of an hour. Please refer to “Product Specific Risks” relating to the Air Bag Mechanism, the “Extraordinary Strategy Adjustment for Performance Reasons (“Air Bag Mechanism”)” section of Appendix I below, and the “Description of Air Bag Mechanism” section of the Supplemental Listing Document for further information of the Air Bag Mechanism.
<b>Form</b>	The Certificates will be represented by a global warrant, which will be deposited with the CDP. No definitive Warrants will be issued.
<b>Adjustments and Extraordinary Events</b>	The Issuer has the right to make adjustments to the terms of the Certificates if certain events including the following take place: if the Index or the PR Index, as the case may be, is calculated and published by a successor to the Index Sponsor, the Index or the PR Index, as the case may be, is replaced or modified or if the Index Sponsor fails to calculate and publish the Index on the Valuation Date (as more specifically set out in the terms and conditions of the Certificates in the Listing Documents). For the avoidance of doubt, no notice will be given if the Issuer determines that adjustments will not be made.
<b>Further Issuance</b>	The Issuer may issue further certificates which will form a single series with the existing issue of Certificates, subject to the approval of the SGX-ST.
<b>Documents</b>	The Listing Documents are and will be available for inspection during usual business hours on any weekday (public holidays excepted) at the following address: Six Battery Road, #11-01, Singapore 049909 .
<b>Selling Restrictions</b>	No action has been or will be taken by the Issuer that would permit a public offering of the Certificates or possession or distribution of any offering material in relation to the Certificates in any jurisdiction where action for that purpose is required. No offers, sales or deliveries of any Certificate or distribution of any offering material relating to the Certificates may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws or regulations.
<b>B. INFORMATION ON THE ISSUER</b>	
<b>Name of Issuer</b>	Mirae Asset Securities (HK) Limited The Issuer is incorporated in Hong Kong with limited liability.
<b>Credit Rating of the Issuer</b>	As of the Launch Date: S&P Global Ratings: BBB-
<b>Issuer Regulated by</b>	The Issuer is registered with the Hong Kong Securities and Futures Commission and licensed corporations (CE No: BJB333) and regulated under the Securities and Futures Ordinance for Type 1 (Dealing in Securities), Type 2 (Dealing in Futures Contracts), Type 4 (Advising on Securities), Type 6 (Advising on Corporate Finance) and Type 9 (Asset Management) activities.
<b>Issuer’s Website and any other Contact Information</b>	The Issuer’s contact information is as follows: Contact number: +852 2845 6332 Email address: dlc@miraeasset.hk Website: dlc.miraeasset.hk
<b>C. INFORMATION ON MARKET MAKING</b>	
<b>Name of Designated Market Maker (“DMM”)</b>	Mirae Asset Securities (HK) Limited
<b>Maximum Bid and Offer Spread</b>	(i) when the best bid price of the Certificate is US\$10 and below: 10 ticks or US\$0.20 whichever is greater; and (ii) when the best bid price of the Certificate is above US\$10: 5% of the best bid price of the Certificate.
<b>Minimum Quantity subject to Bid and Offer Spread</b>	10,000 Certificates
<b>Last Trading Day for Market Making</b>	The date falling 5 Business Days immediately preceding the Expiry Date.

<b>Circumstances where a Quote will/may not be provided</b>	<p>The DMM may not provide quotations in the following circumstances:</p> <ul style="list-style-type: none"> <li>(i) during the pre-market opening and five minutes following the opening of the SGX-ST on any trading day;</li> <li>(ii) if the Certificates are valueless (where the Issuer's bid price is below the minimum bid size for such securities as prescribed by the SGX-ST);</li> <li>(iii) when trading in the Index is suspended or limited in a material way for any reason, for the avoidance of doubt, the DMM is not obliged to provide quotations for the Certificates at any time;</li> <li>(iv) where the Certificates are suspended from trading for any reason including, but without limitation, as a result of trading in the securities or derivatives relating to or constituting the Index being suspended, trading of options or futures relating to the Index or PR Index on all Related Exchanges being suspended, or options or futures generally on all Related Exchanges being suspended, or if the Index for whatever reason is not calculated;</li> <li>(v) market disruption events, including, without limitation, (i) any suspension of or limitation imposed on trading (including but not limited to unforeseen circumstances such as by reason of movements in price exceeding limits permitted by the SGX-ST or the Relevant Stock Exchange for the Index or all Related Exchanges on options or futures relating to the Index or the PR Index, or any act of God, war, riot, public disorder, explosion, terrorism or otherwise) in securities or derivatives relating to or constituting the Index, options or futures relating to the Index or PR Index on all Related Exchanges or options or futures generally on all Related Exchanges and (ii) any failure from the Index Sponsor to compute, publish and disseminate the level of the Index or the PR Index, or material limitation to access the level of the PR Index or Index;</li> <li>(vi) where the Issuer or the DMM faces technical problems affecting the ability of the DMM to provide bids and offer quotations;</li> <li>(vii) where the ability of the Issuer to source a hedge or unwind an existing hedge, as determined by the Issuer in good faith, is materially affected by the prevailing market conditions, and the Issuer informs the SGX-ST of its inability to do so as soon as practicable;</li> <li>(viii) in cases where the Issuer has no Certificates to sell, then the DMM will only provide the bid price;</li> <li>(ix) if the stock market experiences exceptional price movement and volatility;</li> <li>(x) after the PR Index ceases to be calculated and published on a trading day when the Relevant Stock Exchange for the Index is open for dealings but all Related Exchanges on options or futures relating to the Index or the PR Index are not open for dealings;</li> <li>(xi) when all Related Exchanges on options or futures relating to the Index or PR Index and the Relevant Stock Exchange for the Index are not open for dealings concurrently;</li> <li>(xii) when it is a public holiday in Singapore and the SGX-ST is not open for dealings; and</li> <li>(xiii) during the suspension of trading of Certificates after an Air Bag Mechanism has been triggered.</li> </ul>
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#### **D. PRODUCT SUITABILITY**

##### **WHO IS THIS PRODUCT SUITABLE FOR?**

- This product is only suitable for investors who believe that the level of the Index will increase and are seeking short-term leveraged exposure to the Index. The Certificates are classified as Specified Investment Products (SIPs), and may only be sold to retail investors with enhanced safeguards, including an assessment of such investors' investment knowledge or experience.
- This product should be only considered for intraday trading and short term investment periods due to its leveraged exposure and the daily compounding, which may lead to a performance different from 3 times the performance of the Index over a period longer than one day.

You should consider carefully whether the Certificates are suitable for you in light of your experience, objectives, financial position and other relevant circumstances. The Certificates are not suitable for inexperienced investors.

#### **Key Product Features**

##### **WHAT ARE YOU INVESTING IN?**

- You are investing in the daily leveraged certificates, which are in the form of a zero-strike warrant, that provides you with a fixed leveraged return on the daily performance of the Index, plus any costs or fees that may apply.
- The Certificates track the performance of the Leverage Strategy. This Leverage Strategy provides a return based on a fixed daily leveraged return of the Index.
- As an example, the Certificates' daily performance will correspond to 3 times the daily performance of the Index (excluding costs). If the Index rises by 1% compared to the previous closing level, the Certificate will rise by 3% (excluding costs). If the Index falls by 1% compared to the previous closing level, the Certificate will fall by 3% (excluding costs).

##### Floor level of the Leverage Strategy

- The Leverage Strategy is floored at 0 and the Certificates cannot be valued below zero.

##### Leverage Mechanism

- The leverage mechanism is designed to provide 3 times the daily performance of the Index (excluding costs). As the initial investment is only the price of the Certificates, the leverage is derived by a

##### **Further Information**

Please refer to the "Information relating to the Index" section in the Supplemental Listing Document and the Issuer's website at [dlc.miraeasset.hk](http://dlc.miraeasset.hk).

process equivalent to financing an additional 2 times the daily performance of the Index at a funding rate determined according to the formula of the Leverage Strategy.

#### Calculation of the Cash Settlement Amount

In respect of each Certificate, shall be an amount (if positive) payable in the Settlement Currency equal to: the Notional Amount per Certificate times the Closing Level.

#### WHAT WOULD YOU GAIN OR LOSE IN DIFFERENT SITUATIONS?

- **Best case scenario:**

The level of the Index increases substantially resulting in a significant increase in the price of the Certificates. You would then sell the Certificates and realise a profit. The DMM is required to provide liquidity in the Certificates to ensure that there will generally be a market price available for the purchase and sale of the Certificates.

- **Worst case scenario:**

If you buy the Certificates and the level of the Index decreases sharply, the value of the Certificates will decrease by a multiple of the aforementioned decrease in the level of the Index, and you may lose your entire investment.

Please refer to Appendix II below for an illustration on how returns and losses can occur under different scenarios.

#### E. KEY RISKS

##### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

- Investment in the Certificates involves substantial risks including market risk, liquidity risk and the risk that the Issuer will be unable to satisfy its obligations under the Certificates. Investors should ensure that they understand the nature of all these risks before making a decision to invest in the Certificates.

##### PLEASE REFER TO THE LISTING DOCUMENTS FOR A COMPLETE LIST OF RISKS

- The Risk Factors below are a summary of the Risk Factors set out in the Base Listing Document and the Supplemental Listing Document.

##### Further Information

Please refer to the “Risk Factors” section set out in the Base Listing Document and in the Supplemental Listing Document for a complete list of risks and details of the risks.

#### Market Risks

- **Market price of the Certificates may be affected by many factors**

Due to their nature, Certificates can be volatile instruments and may be subject to considerable fluctuations in value due to, including but not limited to, variations in the frequency and magnitude of the changes in the level of the Index and options or futures relating to the Index, the time remaining to expiry, the currency exchange rates and the creditworthiness of the Issuer.

- **You may lose your entire investment**

Certain events relating to the Index or Index components may cause adverse movements in the value and the level of the Index or Index components, as a result of which, you may, in extreme circumstances, sustain a significant loss of your investment if the level of the Index has fallen sharply.

#### Liquidity Risks

- **The secondary market may be illiquid**

The Issuer acting through its DMM may be the only market participant buying and selling the Certificates. Therefore, the secondary market for the Certificates may be limited and you may not be able to realise the value of the Certificates. Do note that the bid-ask spread increases with illiquidity.

#### Product Specific Risks

- **Certificates only exercisable on the Expiry Date**

The Certificates are only exercisable on the Expiry Date and you may not exercise the Certificates prior to such date. Accordingly, if on the Expiry Date the Cash Settlement Amount is zero or close to zero, you will lose your entire investment in the Certificates.

- The total return on an investment in any Certificate will be affected by the Hedging Fee Factor, Management Fee and Gap Premium.

- **Trading in the Certificates may be suspended**

You should note that if trading in the securities or derivatives relating to or constituting the Index is suspended, trading of options or futures relating to the Index on any options or futures exchanges is suspended, or options or futures generally on any options and/or futures exchanges on which options or futures relating to the Index are traded is suspended, or if the Index for whatever reason is not calculated, trading in the relevant Certificates may be suspended for a similar period.

- **The value of certain index constituents may not be included in the closing level of the Index**

The closing level of the Index may be the settlement price for settling the relevant index futures and options contracts as determined by the Relevant Stock Exchange for the Index. Thus, if it occurs at a time when one or more securities or derivatives comprised in the Index are not trading and there is no Market Disruption Event under the terms of the Certificates then the value of such securities or derivatives will not be included in the closing level of the Index.

- **Issuer may make adjustments to the terms and conditions of the Certificates**

Certain events relating to the PR Index or the Index or PR Index components or Index components permit the Issuer to make certain determinations in respect of the PR Index or the Index or PR Index components or Index components, such as an adjustment to the Cash Settlement Amount necessary to take account of any material change in the method of calculation of the Index.

- **You will be exposed to leveraged risks**

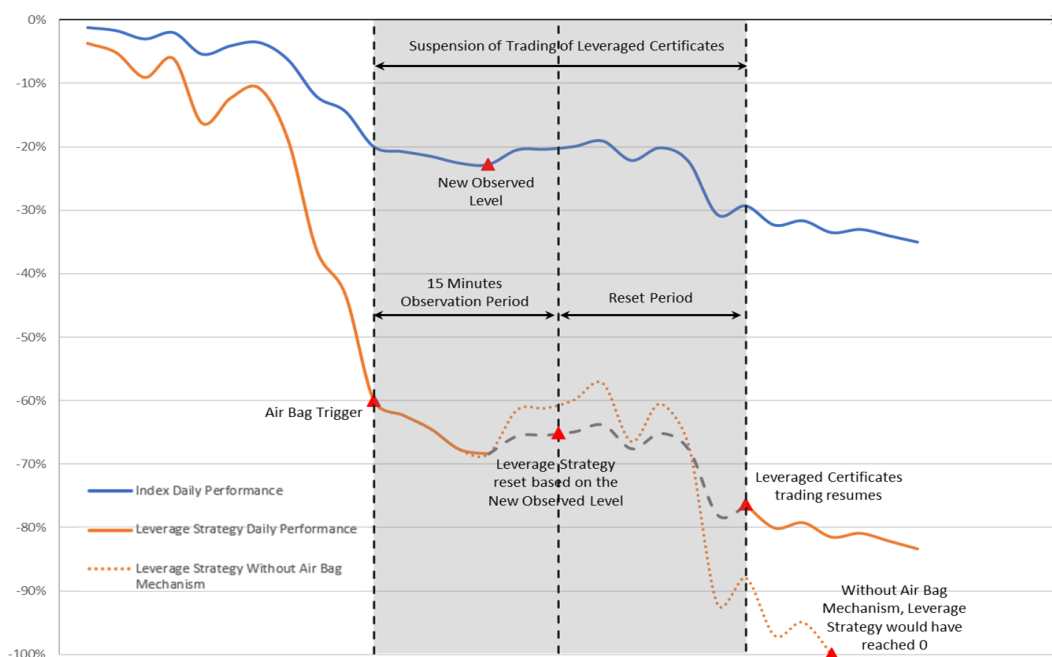
If the investment results in a loss, any such loss will be increased by the leverage factor of the Certificates. Consequently, you could lose more than you would if you invested directly in the Index, or securities or derivatives comprised in the Index.

- **Product performance may differ from 3 times the performance of the Index over a period longer than one day**

When held for longer than a day, product performance could be more or less than the leverage factor that is embedded within the Certificates. The performance each day is locked in, and any subsequent returns are based on what was achieved the previous day. This process, referred to as compounding, may lead to a performance difference from 3 times the performance of the securities or derivatives comprised in the Index over a period longer than one day. This difference may be amplified in a volatile market with a sideways trend, where market movements are not clear in direction, whereby investors may sustain substantial losses.

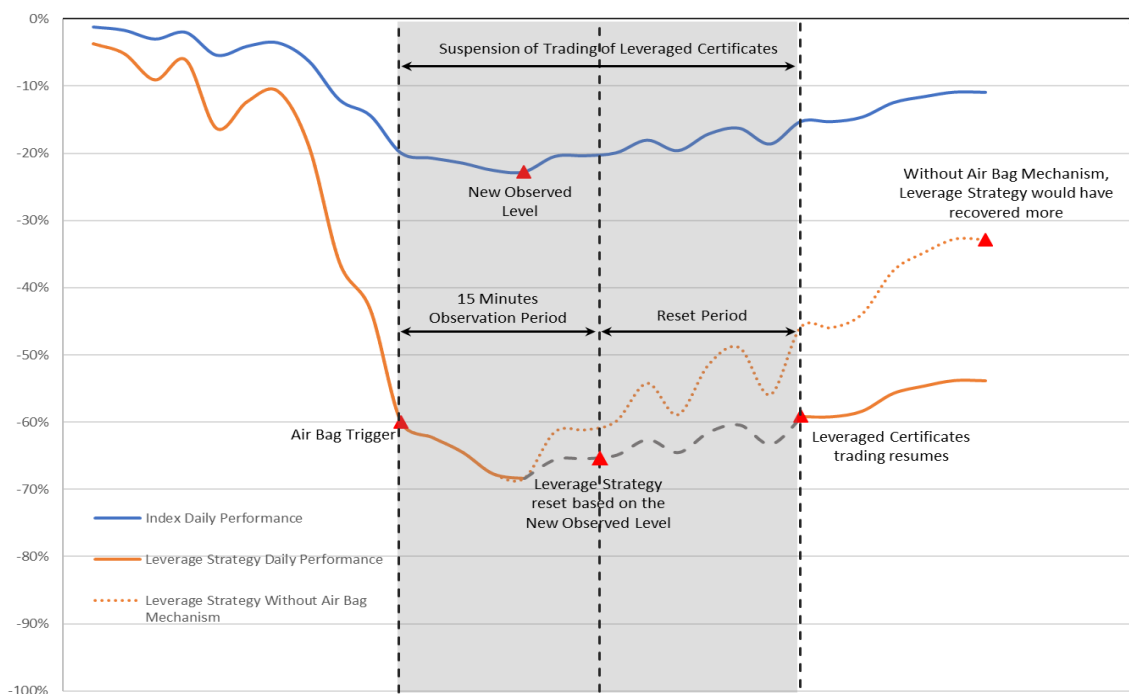
- The Air Bag Mechanism is triggered only when the Index or the PR Index is calculated or traded, which may not be during the trading hours of the Relevant Stock Exchange for the Certificates.
- **When triggered, the Air Bag Mechanism may reduce the ability for the product to recoup losses**  
Investors should note that the Air Bag Mechanism reduces the impact on the Leverage Strategy if the Index falls further, but will also maintain a reduced exposure to the Index in the event the Index starts to rise after the Air Bag Mechanism is triggered, thereby reducing its ability to recoup losses. Illustrative examples of the Air Bag Mechanism are set out below.<sup>6</sup>

### Scenario 1 – Downward Trend after Air Bag trigger



^ The resumption of trading is subject to the SGX-ST's requirements of at least 15 minutes after the SGX-ST approves the request from the Issuer to resume trading on the Certificates, rounded to the next quarter of an hour.

### Scenario 2 – Upward Trend after Air Bag trigger



^ The resumption of trading is subject to the SGX-ST's requirements of at least 15 minutes after the SGX-ST approves the request from the Issuer to resume trading on the Certificates, rounded to the next quarter of an hour.

<sup>6</sup> The illustrative examples are not exhaustive.

- **There is no assurance that the Air Bag Mechanism will prevent investors from losing the entire value of their investment**, in the event of (i) an overnight fall in the Index, where there is an approximately 33% or greater gap between the previous day closing level and the opening level of the Index the following day, as the Air Bag Mechanism will only be triggered when market opens (including pre-opening session or opening auction, as the case may be) the following day or (ii) a sharp intraday fall in the Index of approximately 33% or greater within the 15 minutes Observation Period compared to the reference level, being (a) if air bag has not been previously triggered on the same day, the previous closing level of the Index, or (b) if one or more air bag have been previously triggered on the same day, the latest New Observed Level.
- **The Certificates may be cancelled by the Issuer**  
The Certificates may be cancelled at the discretion of the Issuer under certain circumstances, on giving notice to investors in accordance with the terms and conditions of the Certificates. Any money received by an investor on cancellation of the Certificates, which will be at the mark to market price, may be less than the capital initially invested by the investor, resulting in a loss to the investor.

#### **Issuer Related Risks**

- **You are exposed to the credit risk of the Issuer**  
The Certificates constitute general and unsecured obligations of the Issuer and of no other person. If you purchase the Certificates, you are relying upon the creditworthiness of the Issuer and have no rights under the Certificates against any other person. You should note that the Issuer may issue a large number of financial instruments, including Certificates, on a global basis and at any given time, the financial instruments outstanding may be substantial.
- **Conflicts of interest may arise from the overall activities of the Issuer and its subsidiaries or affiliates**  
The Issuer and any of its subsidiaries and affiliates are diversified financial institutions that engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and investment and other activities for their own account or the account of others. In addition, the Issuer and any of its subsidiaries and/or affiliates, in connection with their other business activities, may possess or acquire material information about the securities or derivatives related to the Index and/or the Index. Such activities and information may involve or otherwise affect issuers of the securities or derivatives related to the Index and/or the Index in a manner that may cause consequences adverse to investors in the Certificates or otherwise create conflicts of interests in connection with the issue of Certificates by the Issuer.
- **Hedging or market-making activities by the Issuer and its subsidiaries or affiliates may affect the Certificates**  
In connection with hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer and any of its respective subsidiaries and affiliates, the Issuer and any of its respective subsidiaries and affiliates may enter into transactions in the components of the Index or related securities or derivatives which may affect the market price, liquidity or value of the Certificates and which may affect the interests of investors in the Certificates.

#### **F. FEES AND CHARGES**

##### **WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?**

- Normal transaction and brokerage fees apply, similar to fees that you would pay for other transactions on SGX-ST.
- Investors holding their position overnight will also incur the annualised cost (which consists of the Management Fee and Gap Premium, which are calculated daily and applied to the value of the product, as well as certain costs embedded within the Leverage Strategy including the Funding Cost and Rebalancing Cost). The Management Fee and Gap Premium will be published on the website at [dlc.miraeasset.hk](http://dlc.miraeasset.hk) and updated daily.

## APPENDIX I

### SPECIFIC DEFINITIONS RELATING TO THE LEVERAGE STRATEGY

#### Description of the Leverage Strategy

The Leverage Strategy is designed to track a 3 times daily leveraged exposure to the Index.

At the end of each trading day of the Index, the exposure of the Leverage Strategy to the Index is reset within the Leverage Strategy in order to retain a daily leverage of 3 times the performance of the Index (excluding costs) regardless of the performance of the Index on the preceding day. This mechanism is referred to as the Daily Reset.

The Leverage Strategy incorporates an air bag mechanism which is designed to reduce exposure to the Index during extreme market conditions, as further described below.

#### Leverage Strategy Formula

**LSL<sub>t</sub>** means, for any Observation Date(t), the Leverage Strategy Closing Level as of such day (t).

Subject to the occurrence of an Intraday Restrike Event, the Leverage Strategy Closing Level as of such Observation Date(t) is calculated in accordance with the following formulae:

On Observation Date(1):

$$LSL_1 = 1000$$

On each subsequent Observation Date(t):

$$LSL_t = \text{Max}[LSL_{t-1} \times (1 + LR_{t-1,t} - FC_{t-1,t} - RC_{t-1,t}), 0]$$

**LR<sub>t-1,t</sub>** means the Leveraged Return of the Index between Observation Date(t-1) and Observation Date(t) closing levels, calculated as follows:

$$LR_{t-1,t} = \text{Leverage} \times \left( \frac{NTR_t}{NTR_{t-1}} - 1 \right)$$

**FC<sub>t-1,t</sub>** means, the Funding Cost between Observation Date(t-1) (included) and Observation Date(t) (excluded) calculated as follows:

$$FC_{t-1,t} = (\text{Leverage} - 1) \times \frac{\text{Rate}_{t-1} \times \text{ACT}(t-1,t)}{\text{DayCountBasisRate}}$$

**RC<sub>t-1,t</sub>** means the Rebalancing Cost of the Leverage Strategy on Observation Date (t), calculated as follows:

$$RC_{t-1,t} = \text{Leverage} \times (\text{Leverage} - 1) \times \left( \left| \frac{NTR_t}{NTR_{t-1}} - 1 \right| \right) \times \text{TC}$$

**TC** means the Transaction Costs applicable (including Stamp Duty and any other applicable taxes, levies and costs which may be levied on the stock transactions on the Relevant Stock Exchange for the Index by the applicable regulatory authorities from time to time) that are currently equal to:

0.15%

“Stamp Duty” refers to the applicable rate of stamp duty on the stock transactions in the jurisdiction of the Relevant Stock Exchange for the Index, which may be changed by the applicable regulatory authorities from time to time.

**Leverage** 3

**NTR<sub>t</sub>** means, in respect of each Observation Date(t), the Closing Level of the Index as of such Observation Date(t), subject to the adjustments and provisions of the Conditions.



**Rate<sub>t</sub>** means, in respect of each Observation Date(t), a rate calculated as of such day in accordance with the following formula:

$$\text{Rate}_t = \text{CashRate}_t + \% \text{SpreadLevel}_t$$

**CashRate<sub>t</sub>** means, in respect of each Observation Date(t), the US SOFR Secured Overnight Financing Rate (SOFR), as published on Bloomberg Screen SOFRRATE Index page or any successor page, being the rate as of such Observation Date (t), provided that if any of such rates is not available, then that rate shall be determined by reference to the latest available rate that was published on the relevant Bloomberg page. Upon the occurrence or likely occurrence, as determined by the Calculation Agent, of modification or cessation in the provision of SOFR, the Calculation Agent may make adjustments as it may determine appropriate to account for the relevant event or circumstance, including but not limited to using any alternative rates from such date, with or without retroactive effect as the Calculation Agent may in its sole and absolute discretion determine.

**%SpreadLevel<sub>t</sub>** means the Spread Level applicable in respect of each Observation Date(t) that is equal to:

0.23%, subject to change by the Issuer on giving 10 Business Days' notice to investors via SGXNET.

**ACT(t-1,t)** ACT (t-1;t) means the number of calendar days between the Index Business Day immediately preceding the Observation Date (which is "t-1") (included) and the Observation Date (which is "t") (excluded).

**DayCountBasisRate** 365

**Extraordinary Strategy Adjustment for Performance Reasons ("Air Bag Mechanism")**

**Extraordinary Strategy Adjustment for Performance Reasons**

If the Calculation Agent determines that an Intraday Restrike Event has occurred during an Observation Date(t) (the **Intraday Restrike Date**, noted hereafter **IRD**), an adjustment (an **Extraordinary Strategy Adjustment for Performance Reasons**) shall take place during such Observation Date(t) in accordance with the following provisions.

(1) Provided the last Intraday Restrike Observation Period as of such Intraday Restrike Date does not end on the TimeReferenceClosing, the Leverage Strategy Closing Level on the Intraday Restrike Date (**LSL<sub>IRD</sub>**) should be computed as follows:

$$\text{LSL}_{\text{IRD}} = \text{Max} \left[ \text{ILSL}_{\text{IR}(n)} \times \left( 1 + \text{ILR}_{\text{IR}(n),\text{IR}(C)} - \text{IRC}_{\text{IR}(n),\text{IR}(C)} \right), 0 \right]$$

(2) If the last Intraday Restrike Event Observation Period on the relevant Intraday Restrike Date ends on the TimeReferenceClosing:

$$\text{LSL}_{\text{IRD}} = \text{Max} \left[ \text{ILSL}_{\text{IR}(n)}, 0 \right]$$

**ILSL<sub>IR(k)</sub>** means, in respect of IR(k), the Intraday Leverage Strategy Level in accordance with the following provisions:

(1) for k = 1:

$$\text{ILSL}_{\text{IR}(1)} = \text{Max} \left[ \text{LSL}_{\text{IRD}-1} \times \left( 1 + \text{ILR}_{\text{IR}(0),\text{IR}(1)} - \text{FC}_{\text{IRD}-1,\text{IRD}} - \text{IRC}_{\text{IR}(0),\text{IR}(1)} \right), 0 \right]$$

(2) for k > 1:

$$\text{ILSL}_{\text{IR}(k)} = \text{Max} \left[ \text{ILSL}_{\text{IR}(k-1)} \times \left( 1 + \text{ILR}_{\text{IR}(k-1),\text{IR}(k)} - \text{IRC}_{\text{IR}(k-1),\text{IR}(k)} \right), 0 \right]$$

**ILR<sub>IR(k-1),IR(k)</sub>** means the Intraday Leveraged Return between IR(k-1) and IR(k), calculated as follows:

$$\text{ILR}_{\text{IR}(k-1),\text{IR}(k)} = \text{Leverage} \times \left( \frac{\text{INTR}_{\text{IR}(k)}}{\text{INTR}_{\text{IR}(k-1)}} - 1 \right)$$

**IRC<sub>IR(k-1),IR(k)</sub>**

means the Intraday Rebalancing Cost of the Leverage Strategy in respect of IR(k) on a given Intraday Restrike Date, calculated as follows:

$$IRC_{IR(k-1),IR(k)} = \text{Leverage} \times (\text{Leverage} - 1) \times \left( \left| \frac{INTR_{IR(k)}}{INTR_{IR(k-1)}} - 1 \right| \right) \times TC$$

**INTR<sub>IR(k)</sub>**

means the Intraday Reference Level in respect of IR(k) computed as follows:

(1) for k=0

$$INTR_{IR(0)} = NTR_{IRD-1}$$

(2) for k=1 to n

$$INTR_{IR(k)} = NTR_{IRD-1} \times \frac{IPR_{IR(k)}}{PR_{IRD-1} - Div_{IRD}}$$

Where  $Div_{IRD}$  represents the dividend on the Intraday Restrike Date, computed as follows:

$$Div_{IRD} = PR_{IRD-1} - \frac{NTR_{IRD-1} \times PR_{IRD}}{NTR_{IRD}}$$

(3) with respect to IR(C)

$$INTR_{IR(C)} = NTR_{IRD}$$

**IPR<sub>IR(k)</sub>**

means, in respect of IR(k), the lowest level of the PR Index during the respective Intraday Restrike Observation Period, subject to the adjustments and provisions of the Conditions.

**PR<sub>IRD</sub>**

means, in respect of an Intraday Restrike Date, the Closing Level of the PR Index as of such Intraday Restrike Date, subject to the adjustments and provisions of the Conditions.

**IR(k)**

For k=0, means the scheduled close for the Relevant Stock Exchange for the Index (or any successor thereto) on the Observation Date immediately preceding the relevant Intraday Restrike Date;

For k=1 to n, means the k<sup>th</sup> Intraday Restrike Event on the relevant Intraday Restrike Date.

**IR(C)**

means the scheduled close for the Relevant Stock Exchange for the Index (or any successor thereto) on the relevant Intraday Restrike Date.

**n**

means the number of Intraday Restrike Events that occurred on the relevant Intraday Restrike Date.

**Intraday Restrike Event**

means in respect of an Observation Date(t), the decrease at any Calculation Time of the PR Index level by 20% or more compared with the relevant PR Index Reference Level as of such Calculation Time.

**PR Index Reference Level**

means in respect of an Observation Date(t):

(1) provided no Intraday Restrike Event has previously occurred on such Observation Date(t), the closing level of the PR Index on the immediately preceding Observation Date, subject to the adjustments and provisions of the Conditions;

or

(2) if k Intraday Restrike Events have occurred on the relevant Intraday Restrike Date, **IPR<sub>IR(k)</sub>**.

**Calculation Time**

means any time between the TimeReferenceOpening and the TimeReferenceClosing, provided that the relevant data is available to enable the Calculation Agent to determine the Leverage Strategy Level.

<b>TimeReferenceOpening</b>	means the scheduled opening time (including pre-opening session or opening auction, as the case may be) for the Relevant Stock Exchange for the Index (or any successor thereto).
<b>TimeReferenceClosing</b>	means the scheduled closing time (including closing auction session) for the Relevant Stock Exchange for the Index (or any successor thereto).
<b>Intraday Restrike Event Observation Period</b>	<p>means in respect of an Intraday Restrike Event, the period starting on and excluding the Intraday Restrike Event Time and finishing on and including the sooner between (1) the time falling 15 minutes of continuous trading after the Intraday Restrike Event Time and (2) the TimeReferenceClosing.</p> <p>Where, during such period, the Calculation Agent determines that (1) the level of the PR Index is not disseminated by the Index Sponsor or, the Index Calculation Agent, as the case may be or (2) the Relevant Stock Exchange for the Index is not open for continuous trading, the Intraday Restrike Event Observation Period will be extended to the extent necessary until (1) the level of the PR Index is calculated and disseminated by the Index Sponsor or, the Index Calculation Agent, as the case may be and (2) the Relevant Stock Exchange for the Index is open for continuous trading.</p>
<b>Intraday Restrike Event Time</b>	means in respect of an Intraday Restrike Event, the Calculation Time on which such event occurs.

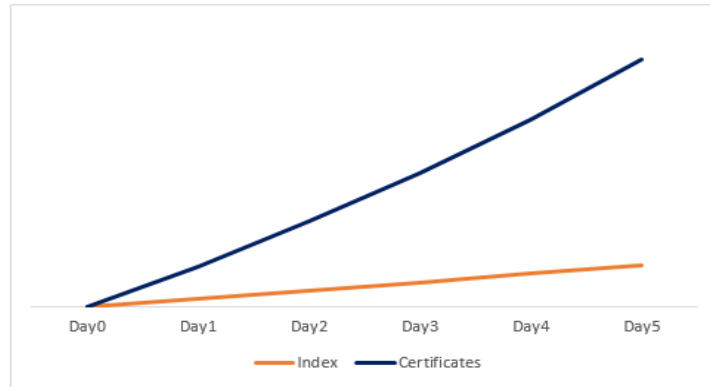
## APPENDIX II

### ILLUSTRATION ON HOW RETURNS AND LOSSES CAN OCCUR UNDER DIFFERENT SCENARIOS

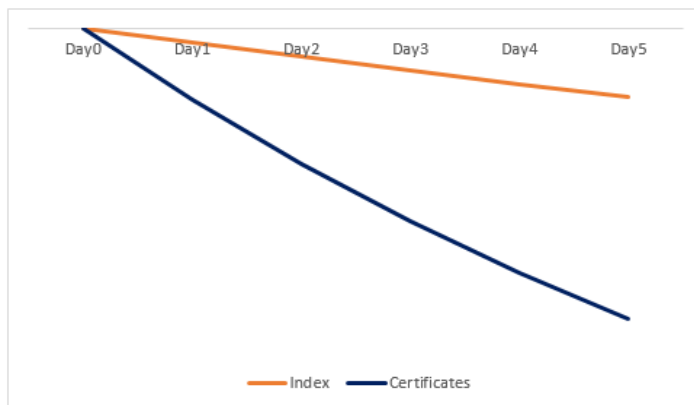
The examples are purely hypothetical and do not take fees and charges payable by investors into consideration. The examples highlight the effect of the Index performance on the value of the Certificates and do not take into account the possible influence of fees or any other market parameters.

#### 1. Illustrative examples

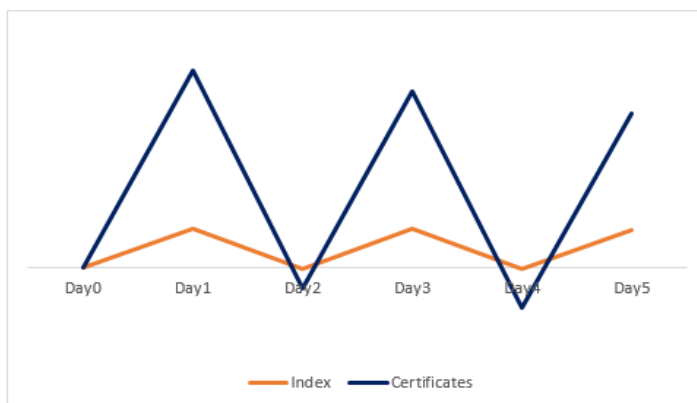
##### Scenario 1 – Upward Trend



##### Scenario 2 – Downward Trend



##### Scenario 3 – Volatile Market



## 2. Numerical Examples

### *Scenario 1 – Upward Trend*

	Index					
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return	0.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Value at end of trading day (US)	10000.0	10200.0	10404.0	10612.1	10824.3	11040.8
Accumulated Return	0%	2.0%	4.0%	6.1%	8.2%	10.4%

	Value of the Certificate					
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return	0.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Value at end of trading day	1.00	1.06	1.12	1.19	1.26	1.34
Accumulated Return	0%	6.0%	12.4%	19.1%	26.2%	33.8%

### *Scenario 2 – Downward Trend*

	Index					
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return	0.0%	-2.0%	-2.0%	-2.0%	-2.0%	-2.0%
Value at end of trading day (US)	10000.0	9800.0	9604.0	9411.9	9223.7	9039.2
Accumulated Return	0%	-2.0%	-4.0%	-5.9%	-7.8%	-9.6%

	Value of the Certificates					
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return	0.0%	-6.0%	-6.0%	-6.0%	-6.0%	-6.0%
Value at end of trading day (US)	1.00	0.94	0.88	0.83	0.78	0.73
Accumulated Return	0%	-6.0%	-11.6%	-16.9%	-21.9%	-26.6%

### *Scenario 3 – Volatile Market*

	Index					
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return	0.0%	-2.0%	2.0%	-2.0%	2.0%	-2.0%
Value at end of trading day (US)	10000.0	9800.0	9996.0	9796.1	9992.0	9792.2
Accumulated Return	0%	-2.0%	0.0%	-2.0%	-0.1%	-2.1%

	Value of the Certificates					
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return	0.0%	-6.0%	6.0%	-6.0%	6.0%	-6.0%
Value at end of trading day (US)	1.00	0.94	1.00	0.94	0.99	0.93
Accumulated Return	0%	-6.0%	-0.4%	-6.3%	-0.7%	-6.7%

## APPENDIX III

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