AMTD MPF Scheme (the "Plan")

DIS Pre-implementation Notice to Participating Employers and Members[1]

Attention: This document is important and requires your immediate attention. If you are in any doubt about the contents of this document, you should seek independent professional advice. The directors of AMTD Asset Management Limited (the "Sponsor"), and Bank Consortium Trust Company Limited (the "Trustee"), accept responsibility for the information contained in this document. This document is only a summary of the key changes relating to the Plan. Members should also carefully review the first addendum to the principal brochure dated Dec 2016 (the "Principal Brochure"), which is enclosed herewith. A copy of the Principal Brochure and the first addendum can be obtained by calling AMTD MPF Hotline at (852) 3163 3260 or on the website at www.amtd.com.hk.

You should consider your own risk tolerance level and financial circumstances before making any investment choices. In the event that you do not make any investment choices, please be reminded that your contributions made and/or accrued benefits transferred into the Plan may be invested in accordance with the Default Investment Strategy, which may not necessarily be suitable for you.

Unless otherwise defined herein, terms used in this document bear the same meaning as in the Principal Brochure.

Dear Participating Employers and Members,

We are writing to you because important changes to the Mandatory Provident Fund Schemes Ordinance ("**MPFS Ordinance**") will take effect on 1 April 2017 ("**Effective Date**"). From the Effective Date, the default investment arrangement of the Plan will be the Default Investment Strategy ("**DIS**") replacing the existing default fund (as defined below) of the Plan.

You should read this notice carefully because the changes made to the MPF legislation may affect the investment of both your accrued benefits and future contributions.

1. What is DIS?

- DIS is a default investment arrangement as stipulated in accordance with the MPF Ordinance. For Members who do not make a fund choice for their MPF account, their accrued benefits, and future investments (meaning future contributions and accrued benefits transferred from another MPF scheme) will be invested in the DIS. The DIS is also available as an investment choice itself for Members.
- The DIS is not a fund - it is a strategy that uses two constituent funds, namely the AMTD Invesco Core Accumulation Fund and the AMTD Invesco Age 65 Plus Fund (collectively the "**DIS Funds**") to automatically reduce the risk exposure as the Member approaches retirement age. The DIS Funds will invest in a globally diversified manner and invest in different assets (e.g. equities, bonds, money market instruments, etc.). The DIS Funds are subject to fee and expense caps as imposed by the legislation. For further information about the DIS Funds including their investment objective and policy, please refer to the Annex to this notice.

2. How does DIS affect you?

- If you have accounts in the Plan that are set up before the Effective Date ("**Pre-existing Account**"), depending on whether you have previously made any fund choices, it may affect you in different ways.
- If you have already given a valid investment mandate for the accrued benefits and future investments in your Pre-existing Account or you are 60 years old or above before the Effective Date, you will not be affected by the implementation of the DIS.
- If all your accrued benefits in a Pre-existing Account are invested in the existing default fund (currently "AMTD Allianz Choice Capital Stable Fund" of the Plan) ("**existing default fund**") as at the Effective Date and you have not given a valid investment mandate for the Pre-existing Account, you will receive a separate notice (i.e. the "**DIS Re-Investment Notice**") sent to you within April 2017. The DIS Re-Investment Notice will explain that if you do not make an investment choice by replying within a specified period, your accrued benefits in the existing

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[1] Please note that references to "you" or "your" in this notice refer to, as the case may be in the relevant context, participating employers or Members.

default fund will be redeemed in whole and re-invested in accordance with the DIS. Therefore, if you receive the DIS Re-Investment Notice, please pay special attention to the contents and make appropriate arrangement. You should note that the risk of the existing default fund may be different from that of the DIS and you may be exposed to market risks as a result of any reinvestment of your accrued benefits in the DIS.

- There are special circumstances where the accrued benefits in the Pre-existing Account are transferred from another account within the Plan (e.g. in the case of cessation of employment, where accrued benefits in your contribution account are transferred to a personal account within the Plan), your accrued benefits in the Pre-existing Account will be invested in the same manner as they were invested immediately before the transfer but your future investments may be invested in the DIS after the implementation of the DIS, unless otherwise instructed.

Please refer to section "C. Implications for New and Pre-existing Accounts on or after DIS Implementation" below for further details.

3. Do you need to do anything?

- Apart from the above, there are other circumstances where your accrued benefits or future investments may be affected by the implementation of the DIS. If you have any query on how it will affect you and what actions you need to take, you should call the AMTD MPF Hotline at (852) 3163 3260.
- If you receive the DIS Re-Investment Notice after the Effective Date, you are advised to pay special attention to the contents and make appropriate arrangement.

A. What is DIS?

DIS is a ready-made investment arrangement mainly designed for those Members who are not interested or do not wish to make a fund choice, and is also available as an investment choice itself, for Members who find it suitable for their own circumstances. For those Members who do not make an investment choice, their future investments will be invested in accordance with the DIS. The DIS is required by law to be offered in every MPF scheme and is designed to be substantially similar in all MPF schemes.

(a) *Objective and Strategy*

The DIS aims to balance the long term effects of risk and return through investing in two constituent funds, namely the AMTD Invesco Core Accumulation Fund ("**CAF**") and the AMTD Invesco Age 65 Plus Fund ("**A65F**"), according to the pre-set allocation percentages at different ages. The CAF will invest around 60% in higher risk assets (higher risk assets generally mean equities or similar investments) and 40% in lower risk assets (lower risk assets generally mean bonds or similar investments) of its net asset value whereas the A65F will invest around 20% in higher risk assets and 80% in lower risk assets. The DIS Funds adopt globally diversified investment principles and use different classes of assets, including global equities, fixed income, money market instruments and cash, and other types of assets allowed under the MPF legislation. For further information about the DIS Funds including their investment objective and policy, please refer to the Annex to this notice.

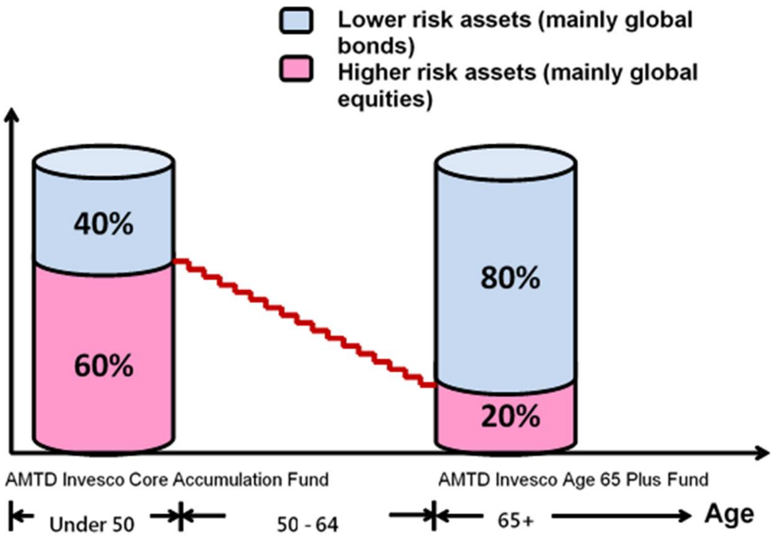


Diagram 1: Asset Allocation between the DIS Funds according to the DIS

Note: The exact proportion of the portfolio in higher/lower risk assets at any point in time may deviate from the target glide path due to market fluctuations.

(b) *Annual de-risking*
Accrued benefits invested through the DIS will be invested in a way that adjusts risk depending on a Member's age. The DIS will manage investment risk exposure by **automatically** reducing the exposure to higher risk assets and correspondingly increasing the exposure to lower risk assets as the Member gets older. Such de-risking is to be achieved by way of reducing the holding in the CAF and increasing the holding in the A65F over time. The asset allocation stays the same up until 50 years of age, then reduces steadily until age 64, after which it stays steady again.

In summary, under the DIS:
(1) When a Member is below the age of 50, all accrued benefits and future investments will be invested in the CAF.
(2) When a Member is between the ages of 50 and 64, all accrued benefits and future investments will be invested according to the allocation percentages between the CAF and A65F as shown in the DIS de-risking table (see Diagram 2 below). The de-risking of the existing accrued benefits and future investments will be automatically carried out as described above.
(3) When a Member reaches the age of 64, all accrued benefits and future investments will be invested in the A65F.

Diagram 2: DIS De-risking Table

Age	***AMTD Invesco Core Accumulation Fund ("CAF")***	***AMTD Invesco Age 65 Plus Fund ("A65F")***
Below 50	100.0%	0.0%
50	93.3%	6.7%
51	86.7%	13.3%
52	80.0%	20.0%
53	73.3%	26.7%
54	66.7%	33.3%
55	60.0%	40.0%
56	53.3%	46.7%
57	46.7%	53.3%
58	40.0%	60.0%
59	33.3%	66.7%
60	26.7%	73.3%
61	20.0%	80.0%
62	13.3%	86.7%
63	6.7%	93.3%

64 and above	0.0%	100.0%

Note: The above allocation between the CAF and A65F is made at the point of annual de-risking and the proportion of the CAF and A65F in the DIS portfolio may vary during the year due to market fluctuations.

The investment allocation of each relevant Member between CAF and A65F will be rounded to one decimal place.

(c) *Fees and out-of-pocket expenses of the CAF and A65F*
The aggregate of the payments for services of the CAF and A65F must not, in a single day, exceed a daily rate of 0.75% per annum of the net asset value ("**NAV**") of each of the DIS Funds divided by the number of days in the year. It includes, but is not limited to, the fees paid or payable for the services provided by the trustee, the administrator, the investment manager(s), the custodian and the sponsor and/or the promoter of the Plan and the underlying investment fund(s) of the respective DIS Funds, and any of the delegates from these parties and such fees are calculated as a percentage of the NAV of each of the DIS Funds and its underlying investment fund(s), but does not include any out-of-pocket expenses incurred by each DIS Fund and its underlying investment fund(s).

The total amount of all payments that are charged to or imposed on the DIS Funds or Members who invest in DIS Funds, for out-of-pocket expenses incurred by the trustee on a recurrent basis in the discharge of the trustee's duties to provide services in relation to the DIS Funds, shall not in a single year exceed 0.2% of the NAV of each of the DIS Funds. For this purpose, out-of-pocket expenses include, for example, annual audit expenses, printing or postage expenses relating to recurrent activities (such as issuing annual benefit statements), recurrent legal and professional expenses, safe custody charges which are customarily not calculated as a percentage of NAV and transaction costs incurred by a DIS Fund in connection with recurrent acquisition of investments for the DIS Fund (including, for example, costs incurred in acquiring underlying investment funds) and annual statutory expenses (such as compensation fund levy where relevant) of the DIS Fund. Members should note that out-of-pocket expenses that are not incurred on a recurrent basis may still be charged to or imposed on a DIS Fund or Members who invest in a DIS Fund and such out-of-pocket expenses are not subject to the above statutory limit.

(d) *Key Risks Relating to the DIS*
DIS is an investment strategy that is subject to various risks and limitations, including:

- Age as the sole factor in determining the asset allocation under the DIS. The DIS does not take into account other factors such as market and economic conditions nor a Member's personal circumstances.
- Allocation to higher risk assets in the DIS Funds has to follow prescribed ratio and limits the investment manager's ability to respond to sudden market fluctuations.
- Annual de-risking between the DIS Funds operates automatically regardless of the wish of a Member to adopt a strategy which might catch market upside or avoid market downside.
- Potential rebalancing within each DIS Fund – investments in each of the DIS Funds will need to be re-balanced continuously in accordance with prescribed allocation which may affect the performance of the DIS Funds.
- Additional transaction costs due to rebalancing of assets and annual de-risking may result in greater transaction costs.
- The DIS does not guarantee capital repayment nor positive investment returns, and the DIS Funds are subject to the general investment risks that apply to mixed asset funds.
- Since the DIS has been developed having regard to the long-term balance between risks and likely returns, and assumes retirement at the age of 65, any cessation of the strategy (for example through early withdrawal of accrued benefits or switching into other funds) will affect that balance.
- The A65F holds around 20% of its assets in higher risk assets and may not be suitable for all Members beyond the age of 64.

For further information about the risks associated with investing through DIS, please refer to section 4.2 entitled "Risk Factors" of the Principal Brochure, as amended by the first addendum.

(e) *Information on Performance of DIS Funds*
The fund performance of the DIS Funds will be published in the fund factsheet. One of the fund factsheets will be attached to annual benefit statement and regular marketing materials. Members can visit www.amtd.com.hk or call the AMTD MPF Hotline on (852) 3163 3260 for information. Members may also obtain the fund performance information at the website of the Mandatory Provident Fund Schemes Authority (www.mpfa.org.hk).

B. Key Features of the Existing Default Fund and the DIS

Please find below the key features of the existing default fund and the DIS for reference:

	Existing Default Fund	**The DIS**
Name and description (if applicable)	AMTD Allianz Choice Capital Stable Fund	The DIS is comprised of two Constituent Funds, namely AMTD Invesco Core Accumulation Fund ("**CAF**") and AMTD Invesco Age 65 Plus Fund ("**A65F**"), with de-risking mechanism in accordance with pre-set allocation percentages based on Member's age
Fund type	Mixed assets	For both CAF and A65F: Mixed assets
De-risking feature	No	Yes
Total management fees for constituent fund and underlying approved pooled investment fund(s)	0.97% p.a. of NAV	For both CAF and A65F: 0.75% p.a. of NAV
Daily fees cap	No	Yes (for details, please refer to section A(c))
Risk and return profile*	Low*	CAF: Medium to high* A65F: Low *
Guarantee	No	No

* The "Risk and return profile" indicates the expected risk and return of the relevant constituent fund relative to other constituent funds in the Plan.

For details of the key features of the existing default fund and the DIS, please refer to the Principal Brochure (or contact the Trustee).

C. Implications for New and Pre-existing Accounts on or after DIS Implementation

(a) *Implications on accounts opened on or after the Effective Date*
When Members join the Plan or set up a new account in the Plan on or after the Effective Date, they have the opportunity to give an investment mandate for their future investments. If Members fail to or do not want to submit to the Trustee an investment mandate at the time of their requests to join / set up a new account in the Plan, the Trustee shall invest any of their future investments into the DIS.

(b) *Implications on accounts opened before the Effective Date*
There are special rules to be applied for Pre-existing Accounts and these rules only apply to Members who are under or becoming 60 years of age on the Effective Date.

(1) Generally, for a Member's Pre-existing Account with all accrued benefits being invested into the existing default fund but no investment instruction having been given (known as "**DIA account**"):

There are special rules and arrangements to be applied to determine whether accrued benefits in a DIA account will be transferred to the DIS. If your Pre-existing Account is considered as a DIA account, you will receive a notice called the DIS Re-investment Notice explaining the impacts on your Pre-existing Account and giving you an opportunity to give a specified investment instruction to the Trustee before the accrued benefits are invested into the DIS.

For further information, Members should refer to section 5.4A.3.2 of the Principal Brochure (as amended by the First Addendum) and the DIS Re-investment Notice.

(2) For a Member's Pre-existing Account with part of the accrued benefits in the existing default fund:

If part of the accrued benefits of your Pre-existing Account was invested in the existing default fund, unless the Trustee has received any investment mandate, your accrued benefits will be invested in the same manner as accrued benefits were invested immediately before the Effective Date. Future investments will be invested in the DIS in the absence of an investment mandate.

Members should note that the implementation of the DIS legislation may have impact on their MPF investments or accrued benefits. Please call the AMTD MPF Hotline on (852) 3163 3260 if you have any doubts or questions on how your MPF investments or accrued benefits are being affected.

D. Rules and Procedures Applicable to Investment through the DIS

(a) *Fund Choice Combination*

From the Effective Date, Members may choose to invest their future investments into:

(1) the DIS; and/or

(2) one or more constituent funds of their own choice from the list under Part B of Appendix I to the Principal Brochure (including the CAF and the A65F) and according to their assigned allocation percentage(s) to relevant constituent fund(s) of their choice.

Members should note that, if investments/accrued benefits in CAF or A65F are made under the Member's investment mandate as a standalone fund choice rather than as part of the DIS offered as a choice ("**standalone investments**"), those investments/accrued benefits will not be subject to the de-risking process. If a Member's investments/accrued benefits are invested in any combination of (i) CAF and/or A65F as standalone investments and (ii) the DIS (whether by default or by investment mandate), investments/accrued benefits invested under (i) will not be subject to the de-risking mechanism, whereas investments/accrued benefits invested under (ii) will be subject to the de-risking process. In this connection, Members should pay attention to the different on-going administration arrangements applicable to accrued benefits invested in (i) and (ii). In particular, the Member will, when giving a fund switching instruction, be required to specify to which of the accrued benefits (namely, under (i) or (ii)) the instruction relates.

(b) *Switching / transfer in and out of the DIS*

A Member can switch into or out of the DIS at any time, subject to the terms of the Principal Brochure and the Trust Deed. If a Member wishes to switch out of the DIS, he may elect to switch all or part of his accrued benefits in an account invested in the DIS to other constituent funds (including the DIS Funds as standalone investments). Members should, however, bear in mind that the DIS has been designed as a long-term investment arrangement. If a Member switches his accrued benefits out of the DIS, this will result in the cessation of that part of investment in accordance with the DIS and may negatively affect the balance between risk and return attributes that has been built into the DIS as a long-term strategy.

Members should note that switching instructions only apply to accrued benefits and are not equivalent to a change of the investment mandate for future contributions, and vice versa.

E. Rules and Procedures of Annual De-Risking

(a) *Dealing day of annual de-risking*

The annual de-risking will normally be carried out on a Member's birthday and the relevant net asset value per Unit on the dealing day immediately after the Member's birthday will be used for the execution of the de-risking, in accordance with the existing procedures for the administration of switching instructions of the Plan. Subject to as described in section E(b) below, if a Member's birthday falls on a day which is not on a dealing day, then the annual de-risking will be carried out in the above manner on the next available dealing day. If the birthday of the relevant Member falls on the 29th of February and in the year which is not a leap year, then the annual de-risking will be carried out on 1st of March or the next available dealing day. Members should note that the number of units will be rounded down to 5 decimal places.

If the Trustee does not have the full date of birth of the relevant Member, the de-risking will be carried out as follows:

- If only the year and month of birth is available, the annual de-risking will take place on the last calendar day of the birth month, or if it is not a dealing day, the next available dealing day.
- If only the year of birth is available, the annual de-risking will take place on the last calendar day of the year, or if it is not a dealing day, the next available dealing day.
- If no information at all on the date of birth is available, Member's accrued benefits will be fully invested in A65F with no de-risking applied.

If the relevant Member subsequently provides satisfactory evidence as to his year, month and/or day of birth, the relevant Member's birthday based on such new evidence will be adopted, and the corresponding allocation percentages will be applied as soon as practicable.

A de-risking notice will be sent, to the extent practicable, at least 60 days prior to a Member reaching the age of 50, and a de-risking confirmation statement will be sent to Members no later than 5 business days after each annual de-risking is completed.

(b) *De-risking process when there is one or more specified instructions*
When one or more of the specified instructions (including but not limited to subscription and redemption instructions) are being processed on the annual date of de-risking for a relevant Member, the annual de-risking in respect of such Member will normally take place on the next dealing day after completion of these instructions where necessary. For the avoidance of doubt, the sequence for processing de-risking as described above will also apply in all other circumstances involving redemption of accrued benefits from the DIS (provided that the Member still has accrued benefits invested in the DIS after the redemption), for example where there is any withdrawal from the Plan, or withdrawal as a result of Employee Choice Arrangement or offsetting against long service payment or severance payment, or where an employer elects to transfer out from the Plan into other MPF schemes. Members should note that the annual de-risking may be deferred as a result.

If a Member would like to switch out of the DIS or change his investment mandate to invest into individual constituent funds (which may include the DIS Funds as standalone constituent funds) before the annual de-risking takes place (generally on a Member's birthday), he should submit a switching instruction or a change of investment mandate (as the case may be) before the dealing cut-off time at 4 p.m. on a date which is 2 business days before the Member's birthday. If the switching instruction or change of investment mandate is received after such dealing cut-off time, the switching or change of investment mandate (as the case may be) will only be performed after the completion of the de-risking process.

Members should be aware that the above de-risking will not apply where a Member chooses the CAF and A65F as individual fund choices (rather than as part of the DIS).

F. Rules and Procedures relating to Investment Instructions

A Member should, by submitting to the Trustee a properly completed member enrolment form, give an investment mandate (i.e. specific investment instructions within the meaning of section 34DA of the MPF Ordinance) to the Trustee in the prescribed form specifying how his contributions (and accrued benefits transferred from other schemes) are to be invested, subject to such restrictions as may be agreed between the Trustee and the Sponsor and as disclosed in the relevant form. When giving an investment mandate in the prescribed form, Members should give valid instructions specifying the investment allocation (in percentage terms) of each of their accounts in respect of (i) mandatory contributions (and accrued benefits transferred from other schemes) and (ii) voluntary contributions (and accrued benefits transferred from other schemes) (each a "category of contributions").

An investment mandate, in respect of a category of contributions, will only be regarded as valid if it complies with the following:

- the percentage of investment allocation to a constituent fund and/or the DIS is specified as an integer, i.e. a whole number, of at least 1% ; and
- all of the investment allocations to the selected constituent fund(s) and/or DIS add up to 100% in total.

If an investment mandate does not comply with the above, including but not limited to cases where the percentage of investment allocation to a constituent fund or the DIS is specified not as an integer of at least 1% or where all of the investment allocations to the selected constituent funds and/or DIS add up to more than 100% in total, then (a) where the investment mandate in question is given in respect of enrolment, then the investment mandate will be regarded as invalid. In addition, if the total investment allocations to the selected constituent fund(s) and/or DIS add up to less than 100%, the relevant Member will be deemed not to have given a valid investment mandate in respect of the shortfall, or (b) where the investment mandate in question is given in respect of a change of investment mandate, then the relevant Member will be regarded as not having given any valid investment mandate in respect of the change.

If any Member fails to submit to the Trustee a member enrolment form containing an investment mandate in the prescribed form or where all or part of the investment mandate is regarded as invalid, the Member will be considered to have elected to invest all or part (as the case may be) of his contributions (and accrued benefits transferred from other schemes) in the DIS.

G. Other Changes

(a) Arrangement regarding the termination of a constituent fund

Prior to the Effective Date, upon the termination of a constituent fund (the "**Terminating Constituent Fund**"), where a Member holds units in the Terminating Constituent Fund, he is entitled to give a new investment mandate as he directs. If such Member fails to give a new investment mandate, he shall be deemed to have elected to apply the relevant redemption proceeds of the units of the Terminating Constituent Fund and the percentage of any relevant future contributions originally allocated to acquire units in the Terminating Constituent Fund to acquire units in either (a) the existing default fund or (b) such other constituent fund (with investment objectives and policies determined by the Trustee in consultation with the Sponsor as similar to those of the Terminating Constituent Fund) as may be specified in the notice given by the Trustee to participants of the Plan regarding the termination of the Terminating Constituent Fund.

With effect from the Effective Date, upon the termination of the Terminating Constituent Fund, if a Member fails to give a new investment mandate he shall be deemed to have elected to apply the relevant redemption proceeds of the units of the Terminating Constituent Fund and the percentage of any relevant future contributions originally allocated to acquire units in the Terminating Constituent Fund to acquire units in either (a) the DIS Funds according to the DIS or (b) such other constituent fund as described in the preceding paragraph. For the avoidance of doubt, where units in the DIS Funds are acquired according to the DIS (i.e. in the case of (a) above), the Member's existing accrued benefits invested in other constituent fund(s) will remain so invested and will not be switched into the DIS.

(b) Transfers from one account to another within the Plan

In relation to a transfer from one account ("**original account**") to another account ("**new account**") within the Plan in circumstances set out in sections 5.4 (Investment Mandate), 5.5 (Transfer into the Plan) and 5.10 (Portability of Benefits), the accrued benefits so transferred will remain invested in the same manner as they were invested immediately before the transfer, unless otherwise instructed by or agreed with the relevant Member.

Prior to the Effective Date, if no investment mandate is received by the Trustee at the time such election to transfer is made and when the new account is being first set up, the investment mandate applicable to the original account, if any, will also apply to future investments to the new account. However, with effect from the Effective Date, if no investment mandate is received by the Trustee at the time such election to transfer is made and when the new account is being first set up, the investment mandate applicable to the original account will generally not apply to future investments that are made to the new account, and the same will be invested in the DIS unless the Member has given an investment mandate in respect of such future investments. For the avoidance of doubt, in such case, the Member's existing accrued benefits held in the relevant constituent funds will remain so invested and will not be switched into the DIS.

(c) Rounding of units

With effect from the Effective Date, the number of units of all existing constituent funds and the DIS Funds issued will be rounded down to 5 decimal places. This is to facilitate the calculation of the allocation percentages applicable to the two DIS Funds in the de-risking process.

(d) Contact details of the Sponsor

With effect from 11 October 2016, the contact details of the Sponsor are changed to:

Address: 23/F & 25/F Nexxus Building, 41 Connaught Road Central, Central, Hong Kong
AMTD MPF Hotline: (852) 3163 3260
Fax number: (852) 3163 3493

(e) Other fees, expenses and charges for providing additional services

With effect from 1 April 2017, in connection with the implementation of the DIS Funds, the following changes will take effect:

(i) Withdrawal charge – such charge is currently waived save for withdrawal of special voluntary contributions. For withdrawal of special voluntary contributions, a withdrawal charge is not applicable to a Member who has all or part of the accrued benefits invested in the DIS Funds as at the time when the Trustee receives a withdrawal request from the Member.

(ii) Charge for re-issuance of cheque payment - such charge is not applicable to a Member who has all or part of the accrued benefits invested in the DIS Funds as at the time when the Trustee receives a cheque re-issuance request from the Member.

F. Amendments to the Principal Brochure and Trust Deed

The Principal Brochure will be revised by way of a first addendum (the "**First Addendum**") to reflect the above changes, where applicable and the Trust Deed of the Plan will be amended by way of a third supplemental deed (the **"Third Supplemental Deed**") to reflect the above changes, where applicable.

The changes described in this Notice are in summary form only. Members should review the revised Principal Brochure, as amended, for further details on the changes made.

G. Documents Available

Members are advised to carefully review the first addendum, which is enclosed with this notice. The Principal Brochure as amended by the first addendum will be posted on the website at www.amtd.com.hk. The Third Supplemental Deed is expected to be available from on or around the Effective Date. The Principal Brochure and the Trust Deed (including the supplemental deeds) will be available during normal working hours at the offices of the Trustee and the Sponsor free of charge upon request. Further, a copy of the Principal Brochure can be obtained free of charge by calling the AMTD MPF Hotline at (852) 3163 3260 or accessing the website at www.amtd.com.hk.

H. Means to Obtain Further Information

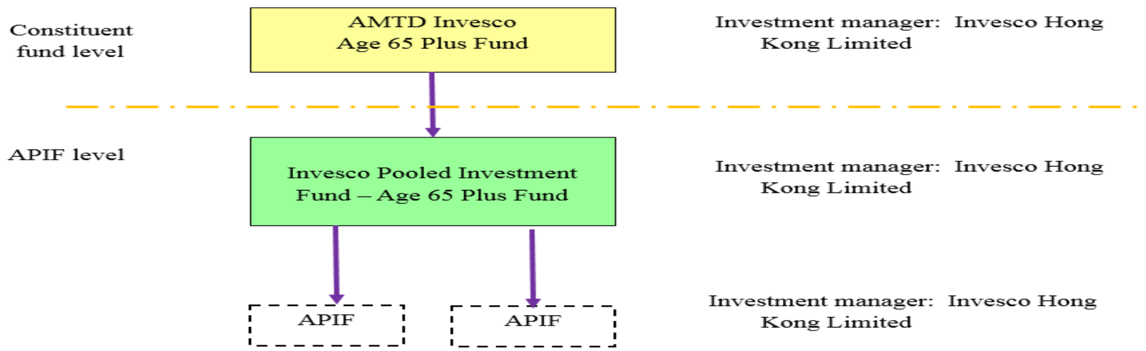
Members may obtain information about the DIS through the AMTD MPF Hotline at (852) 3163 3260.

Yours faithfully,

AMTD Asset Management Limited / Bank Consortium Trust Company Limited

12 December 2016

Annex – Further information on CAF and A65F

Name of Constituent Fund	Objectives	Investment Policy	Risk and Return Profile
AMTD Invesco Age 65 Plus Fund ("A65F")	The investment objective of the A65F is to achieve stable growth by investing in a globally diversified manner	*Investment structure* The A65F shall invest in an APIF named Invesco Pooled Investment Fund – Age 65 Plus Fund, which in turn (through its investment in two other APIFs) invests in a portfolio of global equities, and a portfolio of global fixed income securities, as well as cash and money market instruments as allowed under the Regulation. The investment structure of the A65F is illustrated as follows:  *Investment strategy* The underlying APIFs invested by the Invesco Pooled Investment Fund – Age 65 Plus Fund adopt an active investment strategy. The underlying APIFs seek to achieve returns above that of the constituent index for equity securities and the constituent index for fixed income securities under the Reference Portfolio ("**reference indexes**") through active management of portfolios with reference to the constituents / credit rating, sectors, and geographic allocation of the reference indexes. In other words, the constituents of the portfolios may not be identical to the reference indexes in terms of security selection and weighting and the underlying APIFs may selectively react to the movement of dealings in	Low

		the portfolios or market fluctuations. This strategy aims to promote efficiency and minimize cost for the purpose of DIS asset rebalancing. *Asset allocation* Through its underlying APIFs, the Invesco Pooled Investment Fund – Age 65 Plus Fund invested by the A65F targets to invest 20% of its net asset value in higher risk assets (such as global equities), with the remainder investing in lower risk assets (such as global bonds, cash and money market instruments). The asset allocation to higher risk assets may vary between 15% and 25% due to differing price movements of various equity and bond markets. Subject to the above asset allocation limit, the investment manager of the Invesco Pooled Investment Fund – Age 65 Plus Fund invested by the A65F has discretion as to the asset allocation of the Invesco Pooled Investment Fund – Age 65 Plus Fund. *Geographical allocation* There is no prescribed allocation for investments in any specific countries or currencies. *Hong Kong dollar currency exposure* The A65F will maintain an "effective currency exposure" to HK dollars (as defined in the Regulation) of at least 30% through investment in its underlying APIF. *Policies regarding the acquisition, holding and disposal of financial futures contracts and financial option contracts and securities lending* The A65F and the Invesco Pooled Investment Fund – Age 65 Plus Fund will not enter into financial futures contracts or financial option contracts, or engage in securities lending. One of the underlying APIFs invested by the Invesco Pooled Investment Fund – Age 65 Plus Fund may enter into financial futures contracts and financial option contracts for hedging purposes. The underlying APIFs invested by the Invesco Pooled Investment Fund – Age 65 Plus Fund will not engage in securities lending. *Risk inherent & expected return* A Reference Portfolio is adopted for the purpose of the DIS to provide reference for performance and asset allocation of the A65F. The return of the A65F over the long term is expected to be at least similar to the return of the Reference Portfolio[Note].	
AMTD Invesco Core	The investment objective of the CAF is to	*Investment structure* The CAF shall invest in an APIF named Invesco Pooled Investment Fund – Core Accumulation Fund, which in turn	Medium to High

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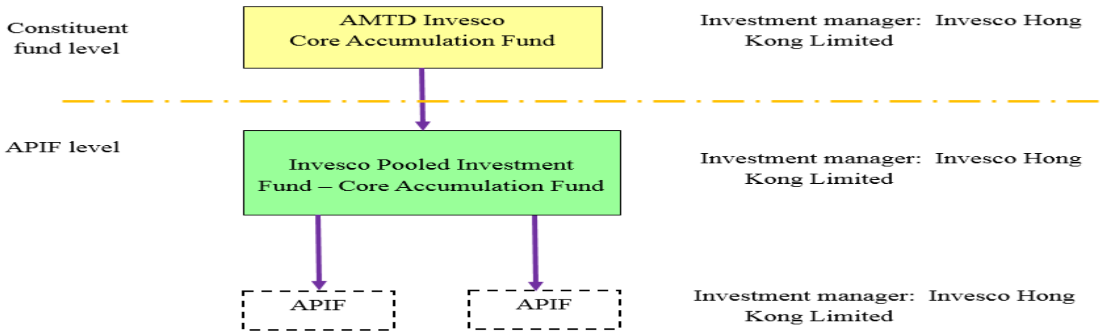
Accumulation Fund (“CAF”)	achieve capital growth by investing in a globally diversified manner.	(through its investment in two other APIFs) invests in a portfolio of global equities, and a portfolio of global fixed income securities, as well as cash and money market instruments as allowed under the Regulation. The investment structure of the CAF is illustrated as follows:  *<u>Investment strategy</u>* The underlying APIFs invested by the Invesco Pooled Investment Fund – Core Accumulation Fund adopt an active investment strategy. The underlying APIFs seek to achieve returns above that of the respective reference indexes through active management of portfolios with reference to the constituents / credit rating, sectors, and geographic allocation of the reference indexes. In other words, the constituents of the portfolios may not be identical to the reference indexes in terms of security selection and weighting and the underlying APIFs may selectively react to the movement of dealings in the portfolios or market fluctuations. This strategy aims to promote efficiency and minimize cost for the purpose of DIS asset rebalancing. *<u>Asset allocation</u>* Through its underlying APIFs, the Invesco Pooled Investment Fund – Core Accumulation Fund invested by the CAF targets to invest 60% of its net asset in higher risk assets (such as global equities), with the remainder investing in lower risk assets (such as global bonds, cash and money market instruments). The asset allocation to higher risk assets may vary between 55% and 65% due to differing price movements of various equity and bond markets. Subject to the above asset allocation limit, the investment manager of the Invesco Pooled Investment Fund – Core Accumulation Fund	

		invested by the CAF has discretion as to the asset allocation of the Invesco Pooled Investment Fund – Core Accumulation Fund. *Geographical allocation* There is no prescribed allocation for investments in any specific countries or currencies. *Hong Kong dollar currency exposure* The CAF will maintain an “effective currency exposure” to HK dollars (as defined in the Regulation) of at least 30% through investment in its underlying APIF. *Policies regarding the acquisition, holding and disposal of financial futures contracts and financial option contracts and securities lending* The CAF and the Invesco Pooled Investment Fund – Core Accumulation Fund will not enter into financial futures contracts or financial option contracts, or engage in securities lending. One of the underlying APIFs invested by the Invesco Pooled Investment Fund – Core Accumulation Fund may enter into financial futures contracts and financial option contracts for hedging purposes. The underlying APIFs invested by the Invesco Pooled Investment Fund – Core Accumulation Fund will not engage in securities lending. *Risk inherent & expected return* A Reference Portfolio is adopted for the purpose of the DIS to provide reference for performance and asset allocation of the CAF. The return of the CAF over the long term is expected to be at least similar to the return of the Reference Portfolio.	

Note:

Reference Portfolio - To provide a common reference point for the performance and asset allocation of the CAF and A65F, a reference portfolio developed by the MPF industry and published by the Hong Kong Investment Funds Association is adopted for the purpose of each of CAF and A65F.