

## **< Disclaimer for the English Overview of the Delivery Prospectus of Listed Index Fund China A Share (Panda) E Fund CSI300 >**

This document provides an overview of the Japanese “Summary Prospectus” (the “Delivery Prospectus”) of Listed Index Fund China A Share (Panda) E Fund CSI300” (the “Fund”) in English. The Japanese Delivery Prospectus is the offering document. This document in English is not required by law or any regulation.

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Except as otherwise indicated herein, this material is based on the most recent Japanese version of the Delivery Prospectus. In case of any update to or modification of the Japanese version of the terms and conditions, there is no guarantee that a corresponding update or modification will be made to this English document.

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# Listed Index Fund

## China A Share (Panda) E Fund

### CSI300

**Nickname: JoJo Panda**

Open-end investment trust, Overseas, Equities, ETF, Index Type

This document is not a translation of the entire Delivery Prospectus, but an English overview of the Delivery Prospectus, which means that some of the information in the Delivery Prospectus has been simplified, modified, or omitted.

● This prospectus is published pursuant to the provisions of Article 13 of the Financial Instruments and Exchange Act (No. 25 of 1948).

Please read this document carefully before deciding to subscribe to units of the Fund.

● The prospectus for the Fund provided under Article 15, Paragraph 3 of the Financial Instruments and Exchange Act (hereinafter referred to as the "Prospectus Issued upon Request") can be read or downloaded from the website of the Management Company. You can also obtain a copy of the Prospectus Issued upon Request from a Distributor. If you do so, please make a personal record to that effect.

● This document includes the main contents outlined in the trust deeds. The complete text of the trust deeds is provided in the Prospectus Issued upon Request.

● For information on the NAV or Distributors of the Fund, please contact the Management Company.

**Management Company** (the party issuing investment instructions for the Fund)

**Nikko Asset Management Co., Ltd.**

Registration Number: Director of the Kanto Local Financial Bureau (Financial instruments firms) No. 368

**Website:** [www.nikkoam.com/](http://www.nikkoam.com/)

+813-6447-6653 (9 a.m.-5 p.m., excluding Saturdays, Sundays and public holidays)

**Trustee** (the party responsible for custody and management of Fund assets)

**Nomura Trust and Banking Co., Ltd.**

Established and managed by

**Nikko Asset Management Co., Ltd.**

- When any significant amendment is made to the content of the Fund, we will confirm the intention of investors (beneficiaries) in advance in accordance with the Act on Investment Trust and Investment Corporations (Act No. 198 of 1951).
- The Fund assets are classified and managed by the Trustee pursuant to the Trust Act (Act No.108 of 2006).
- In connection with the invitation for subscription to Listed Index Fund China A Share (Panda) E Fund CSI300, which is extended by way of this prospectus, the Management Company filed a securities registration statement with the Director-General of the Kanto Local Finance Bureau on April 20, 2023 pursuant to the provisions of Article 5 of the Financial Instruments and Exchange Act. The filing became effective on the next business day after the filing date.

Product Classification					Segmentation by Attribute					
Unit-Type/ Open-end Investment Trust	Eligible Market	Eligible Investments (Source of Income)	Independent Segment	Supplementary Classification	Eligible Investments	Timing of Accounting Period	Geographical Areas of Investment	Investment Category	Foreign Exchange Hedge	Index Followed
Open-end	Overseas	Equities	ETF	Index type	Other Assets (investment trust securities (Equities in general)	Annually	Asia	Fund Of Funds	No hedge	Other (CSI300 Index)

Please refer to the Investment Trusts Association Japan website for definitions of products classification and segmentation by attribute at <https://www.toushin.or.jp/>.

\*Currency Hedging described in segmentation by attribute indicates whether or not to hedge the currency fluctuation risk against Japanese yen.

#### **Management Company Details:**

Name: Nikko Asset Management Co. Ltd.

Date of Establishment: December 1, 1959

Capital: 17,363.04 million yen

Total net asset value of investment trust assets under management: 23,901.9 billion yen

(As of the end of January 2023)

# Objective and Characteristics of the Fund

## Objective of the Fund

This is a Fund that invests in investment trust securities that target price performance linked to the yen-converted China Securities Index (CSI) 300 Index. The Fund mainly consists of investments in Investment trust securities listed on a Chinese financial exchange and stock issues adopted for the CSI300 Index, and aims to keep the Net Asset Value (NAV) closely linked with the performance of the Index on a yen-equivalent basis.

\*The CSI300 Index consists of top 300 A-shares in terms of market capitalization and liquidity among those listed on the Shanghai or Shenzhen Stock Exchanges. It is the key index for Chinese stock prices. The Index is weighted by the market capitalization of each stock in the index reflecting free float weight. The base period is December 31, 2004. The total market capitalization as of the base period is 1,000 and the subsequent market capitalization is indexed.

The continuity of the Index is secured by adjusting the market capitalization in a manner that precludes any influence of fluctuations in the market capitalization including paid-in capital increases, new listing and delisting, which are not considered as valid indicators of the market conditions.

$$\text{CSI300 Index} \frac{\text{Market capitalization at the time of calculation}}{\text{Market capitalization at the base period}} \times 1,000$$

The CSI300 Index is calculated by China Securities Index Co., LTD (CSI). CSI and the Shanghai and Shenzhen Stock Exchanges will take all measures necessary to secure accuracy of the CSI300 Index. However, CSI and the Shanghai and Shenzhen Stock Exchanges, are not responsible for any error related to the CSI300 Index, irrespective of whether negligence exists, and they are not obliged to inform anyone of any error related to the CSI300 Index.

All copyrights, including the value of the Index and shares incorporated therein, belong to CSI.

## Characteristics of the Fund

- While the Fund is a contractual-type investment trust, it is structured differently from ordinary investment trusts with respect to the following aspects:

### **Units are listed on Tokyo Stock Exchange and can be traded at any time during trading hours.**

- Units may be traded in blocks of 10 units (as of the date of filing the securities registration statement).
- Brokerage commissions shall be determined by brokers.
- The method of trading is generally the same as that for stocks.

\*Please contact your broker for further details.

- This Fund of Funds invests in investment trust securities.

#### **Nikko CSI300 Index Fund (for Institutional Investors)**

The Fund will invest mainly in "China A Share CSI300 Index Mother Fund," and seeks to see its performance to correlate with the movement of the yen-converted CSI300 Index.

**(Reference) Nikko AM China RMB A-Share CSI300 Index Mother Fund**

The Fund will invest mainly in E Fund CSI300 ETF\*, Yuan-denominated shares of Chinese companies, and seeks to see its performance to correlate with the movement of the yen-converted CSI300 Index.

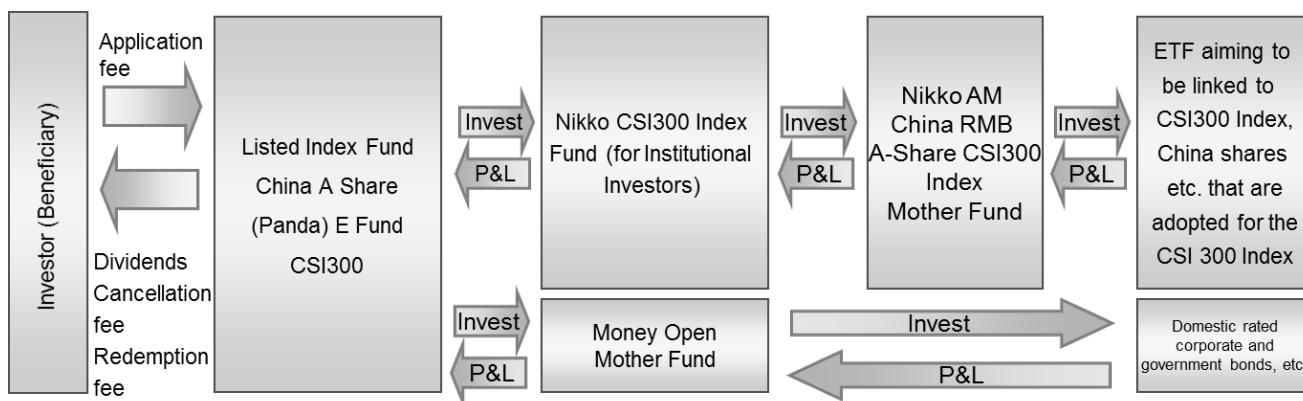
\*E Fund CSI300 ETF

This RMB denominated foreign investment trust is listed on a Chinese financial exchange and aims to be linked to the CSI 300 index.

**Money Open Mother Fund**

This Fund aims to ensure stable returns by investing in public and corporate bonds.

**Fund Structure**



**Major Investment Restrictions**

- No direct investment in any securities other than investment trust securities, short-term corporate bonds, commercial paper and designated money trust will be made.
- No restrictions apply to the actual investment ratio of foreign currency-denominated assets.

**Distribution Policy**

- As a general rule, the full amount of dividends and other income arising from the trust assets is distributed after deduction of expenses.

\*There is no guarantee on the payment or the amount of dividend

## Investment Risks

Please refer to “Matters to Consider” on our website below for the related risk.

<https://en.nikkoam.com/etf/1322-china-a-share-panda-csi-300>

## Past Performance

Please refer to “Net Asset Value and Performance” on our website below for the past performance.

<https://en.nikkoam.com/etf/1322-china-a-share-panda-csi-300>

# Procedures, Fees, and Other Conditions

## ■ Subscription Memorandum

Subscription Units	Units to be determined by the distributors starting at no less than 2,000 * Please contact the distributor for information on subscription units.
Subscription Price	The NAV as of the next business day on which the subscription is accepted.
Subscription Method	Please make payments by the day designated by the distributor.
Subscription limit	Applications for subscription shall be accepted as far as the amount of purchase does not exceed the upper limit of investment set by the China QFII Rules.
Redemption Units	* Units to be determined by the distributors starting at no less than 2,000 * Please contact the distributor or the management company for information on redemption units. * A beneficiary may ask a Distributor to buyback his or her Units where the total number of Units owned is less than the minimum-trading unit for the Units established by the stock exchange. Please contact the distributors for details.
Redemption Price	Amount after deducting the amount retained in trust assets from NAV of the following business day of the redemption application date.
Redemption Proceeds	As a rule, the payment will be made from the sixth business day after and including the day on which a request for redemption is made.
Business Hours for Subscription and Redemption	As a rule, applications for subscriptions and redemptions that are completed by 12 p.m. on the days Distributors are open for business are deemed to have been accepted on that day. It must be pursuant to the procedures established by the Distributor.
Subscription Period	From April 21, 2023 to October 20, 2023 * The subscription period can be renewed by filing another securities registration statement prior to the expiration date shown above.
Non-acceptance Days for Subscriptions	Even on the days where the distributor is open for business, applications for subscription will not be accepted on the following days. Please contact the distributors for details.  1) When the application day for subscriptions is two business days prior to the accounting date. (For a period of two business days, beginning three business days prior to the accounting date when the accounting date falls on non-business day.) 2) When the application day for subscriptions is non-business day for the Shanghai or Shenzhen Stock Exchanges or banks in China. 3) When there are 2 or more non-business days for the Shanghai or Shenzhen Stock Exchanges or banks in China for the period of 6 business days from the application day for subscriptions.  In addition to the days referred to 1), 2), and 3), any time the Management Company determines that unavoidable circumstances have developed that may prevent it from investing in accordance with the basic policies set forth in the trust deeds.
Non-acceptance Days for	Even on the days where the distributor is open for business, applications for redemptions will not be accepted on the following days. Please contact the

Redemptions	<p>distributors for details.</p> <p>1) When the application day for redemptions is for a period of three business days, beginning four business days prior to the accounting date. (For a period of four business days, beginning five business days prior to the accounting date when the accounting date falls on non-business day.)</p> <p>2) When the application day for redemptions is non-business day for the Shanghai or Shenzhen Stock Exchanges, or banks in China.</p> <p>3) When there are 2 or more non-business days for the Shanghai or Shenzhen Stock Exchanges or banks in China for the period of 6 business days from the application day for redemptions.</p> <p>In addition to the days referred to 1), 2), and 3), any time the Management Company determines that unavoidable circumstances have developed that may prevent it from investing in accordance with the basic policies set forth in the trust deeds.</p>
Restrictions on Redemption	<p>Based on the size or product characteristics of the fund, restrictions may be placed on the timing or volume of large redemption units to avoid adverse effects on the fund's management.</p>



<p>Suspension or Cancellation of Subscription, Redemption Applications</p>	<p>The Management Company may suspend acceptance of applications for subscription or requests for redemption, or cancel applications for subscription or requests for a redemption that have already been accepted in the event that the Fund is unable to invest in target investment trust securities, exchanges of the target investment trust securities are no longer possible, trading on a stock exchange is suspended, trading of foreign exchange is suspended, settlement functions are halted, emergencies in invested countries (such as financial crises, government default due to financial reasons, significant policy changes or introductions of new regulations including asset freezes, natural disasters, coups or significant political changes, or war) results in market suspension or substantial decrease in liquidity or it determines that there is a possibility that investments in accordance with the basic investment policies set forth in the trust deeds will be hindered or circumstances beyond their control develops.</p>
<p>Trust Term</p>	<p>Unlimited (date of launch: April 7, 2008)</p>
<p>Early Termination</p>	<p>Early termination shall be carried out in the case that any of the following events occurs:</p> <ul style="list-style-type: none"> <li>▪ Total net assets fall below JPY0.5 billion.</li> <li>▪ Units come to be delisted from all the financial instruments exchanges on which they have been listed.</li> <li>▪ The CSI300 Index comes to be discontinued.</li> <li>▪ Amendment to the trust deed, which the Management Company or Trustee considers to be necessary due to any change made to the calculation method of the CSI300 Index, is not accepted by a written resolution.</li> </ul> <p>Early termination may occur in any of the following events:</p> <ul style="list-style-type: none"> <li>▪ Total net assets fall below JPY1 billion;</li> <li>▪ Early termination is judged to be advantageous to beneficiaries</li> <li>▪ Any unavoidable circumstance arises.</li> </ul>
<p>Closing Date</p>	<p>January 20 of each year</p>

Income Distribution	<p>Dividends are paid once a year in accordance with the following income distribution policy:</p> <p>* As a rule, the Trustee shall pay to beneficiaries their income by making a wire transfer to the bank account designated in advance by the beneficiary concerned on the day specified by the Management Company but within 40 days from the end of each calculation period. When a beneficiary has signed a separate agreement with his/her broker in connection with the treatment of income distribution, payment will be made pursuant to the provisions of such agreement.</p>
Maximum Amount of Trust Money	1 trillion yen
Public Notification	<p>Public notifications will be posted on the website of the Management Company.  URL: <a href="http://www.nikkoam.com/">www.nikkoam.com/</a></p> <p>* In the event that a public notification cannot be posted online due to any unavoidable circumstances, notification will be made in The Nikkei.</p>
Investment Reports	Pursuant to the Act on Investment Trust and Investment Corporations, investment reports will not be prepared and published.
Tax Treatment	<p>For tax purposes, the Fund is treated as an exchange-traded fund (ETF).</p> <ul style="list-style-type: none"> <li>▪ Publicly-offered Equity Investment Trusts can be held in Nippon Individual Savings Account.</li> <li>▪ Deduction for dividends shall not be made.</li> <li>▪ As a general rule, the system excluding dividends from gross revenue shall not apply.</li> </ul>

There is additional information on this page that does not appear on the original Japanese Delivery Prospectus.

## ■ Fund Expenses and Taxes

### Fund Expenses

#### Expenses to be borne directly by investors

Subscription Fee	<p><b><u>The amount to be set independently by Distributors</u></b>            *Please contact your Distributor for further details.            * Subscription Fee is compensation for explanation and information providing about the Fund or investment environment, and is also including expense of clerical processing of the subscription.</p>
Redemption Fee	<p><b><u>The amount to be set independently by Distributors</u></b>            *Please contact your Distributor for further details.            * Exchange Fee is compensation for clerical processing of the exchange.</p>
Amount Retained in Trust Assets	<p><b><u>An amount calculated by multiplying NAV at the time of a redemption by 0.6% (per unit)</u></b></p>

#### Costs paid indirectly by the customer for the trust assets (paid from the fund)

TER (Total Expense Ratio)	<p>0.5812% (TER includes Trust Fee, management fee and other costs below)            ※This represents the actual TER for the period of January 21, 2022-January 20, 2023</p>														
Investment Management Expenses (Trust fee)	the Fund	<p>The amount to be obtained after multiplying the total net assets of the Fund by an annual rate not exceeding 0.165%(0.15% excluding tax).</p> <p>The investment management fee is daily recorded and paid out of the trust assets at the end of each calculation period or at the time of termination of the Trust.</p> <p>&lt;Distribution of Investment Management Expenses(annual rate)&gt;            When above is 0.15%, as of the date of filing of the securities registration statement:</p> <table border="1"> <tr> <th colspan="3">Investment Management Expenses(Trust fee) =NAV of investment period X Trust fee rate</th> </tr> <tr> <th>Total</th> <th>Management Company</th> <th>Trustee</th> </tr> <tr> <td>0.15%</td> <td>0.10%</td> <td>0.05%</td> </tr> </table> <table border="1"> <tr> <th>Management Company</th> <td>Compensation for investment management</td> </tr> <tr> <th>Trustee</th> <td>Compensation for administration of assets under management and execution of orders from Management Company</td> </tr> </table> <p>*Figures are excluding tax. Consumption tax will be added.</p>	Investment Management Expenses(Trust fee) =NAV of investment period X Trust fee rate			Total	Management Company	Trustee	0.15%	0.10%	0.05%	Management Company	Compensation for investment management	Trustee	Compensation for administration of assets under management and execution of orders from Management Company
	Investment Management Expenses(Trust fee) =NAV of investment period X Trust fee rate														
Total	Management Company	Trustee													
0.15%	0.10%	0.05%													
Management Company	Compensation for investment management														
Trustee	Compensation for administration of assets under management and execution of orders from Management Company														
Target Investment Trust Securities		<p>Approximately 0.365% (0.35% excluding tax) per annum against total NAV.</p> <p>※Trust fee of the Nikko CSI300 index Fund (for Institutional Investors) to invest it takes about an annual rate of 0.165%(0.15% excluding tax) , in addition trust fees of E Fund CSI300 ETF to substantially invest will take about 0.20%.</p>													

	Expenses borne by the investors	<p><b><u>Approximately 0.53%(0.50% excluding tax) per annum against total NAV</u></b></p> <p>※The actual annual rate of trust fees paid by beneficiaries varies depending on the percentage of target investment trust securities, changes to such investment trust securities, the percentage of target ETF for substantial investment, changes to such ETF and other factors.</p>
Other Expenses and Fees	Expenses (Expenses for preparation of prospectuses and other expenses)	<p><b><u>No more than 0.1% per annum of the daily total NAV of the Fund</u></b></p> <p>Expenses for preparation and distribution of prospectuses, auditing fee, expenses for listing of the Fund, as well as royalties for the CSI300 Index are paid out of the trust assets at the times specified by the Management Company.</p> <p>* Auditing fee is an expense paid to audit firm for auditing of the Fund</p>
	Brokerage commissions and other fees	<p>Brokerage commissions on securities in the portfolio, interest on borrowings, interest on advances, and other fees are paid out of the trust assets each time they are incurred. These fees are incorporated in the TER stated</p> <p>*Rates, upper limit, etc. cannot be determined in advance as they fluctuate in line with investment performance and other factors.</p>

The total amount of expenses of the Fund to be borne by investors varies according to holding length and investment status, and thus cannot be shown.

## Tax Treatment

### Tax treatment for Japanese individual investors

#### 1) Taxation upon sale of Units

- Gains on sale (capital gains) are deemed to be an income from transfer and thus need to be filed to declare for separate taxation at 20.315%. When a beneficiary has chosen a designated account with tax withholding (an account with tax withholding at the taxpayer's position), tax will be withheld at sources at 20.315%. (As a rule, tax filing is not necessary in such case.)

#### 2) Taxation upon receipt of income distributions

- Income distributions are regarded as a dividend income, and tax is withheld at source at 20.315%. (As a rule, tax filing is not necessary.) Investors can also file a tax return, and choose either separated taxation, based on declaration, or consolidated taxation (to which deduction for dividends shall not apply).

#### 3) Taxation upon cancellation or termination

- Gains upon cancellation or termination (capital gains) are deemed to be income from transfer and thus have to be filed to declare for separate taxation at 20.315%. When a beneficiary has chosen a designated account with tax withholding (an account with tax withholding at the taxpayer's option), tax will be withheld at source at 20.315%. (As a general rule, tax filing is not necessary.)
- By filing a tax return, you can offset losses upon sale (capital losses) against capital gains from listed stocks, dividends etc. from listed stocks, and interest income from public and corporate bonds and such like (as long as separated taxation has been chosen upon declaration). In addition, gains on sale (capital gains), income distributions, and interest income from public and corporate bonds etc. (if separated taxation has been chosen upon declaration) can be offset against capital losses from listed stocks and such like.
- When investing through a Nippon Individual Savings Account (NISA) and a Nippon Individual Savings Account for junior (Junior NISA), income gains and capital gains from the investments in Publicly-offered Equity Investment Trusts will be tax-free for a given period if the investments have been newly purchased within a certain amount every year. Investors need to meet certain conditions, such as having opened a tax-free account at a Distributor. In addition, dividend income and income from transfer which arose from the other account cannot be offset against losses from a NISA account. For further details, please contact a Distributor.
- In cases of being applied to the foreign tax deduction, tax on distributions may differ from the aforementioned descriptions.
- The aforementioned descriptions do not apply to Japanese corporations.
- Above tax rates are as of the date when the securities registration statement was filed, so those may change in the event that tax laws are revised. We recommend that investors consult a tax or similar specialist for details of tax treatment.

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