

THIS NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in doubt about the contents of this document, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser.

If you have sold or transferred all of your units in Hamon Asian Funds, you should pass this notice, together with the relevant accompanying documents, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was made for transmission to the purchaser or transferee.

The Manager accepts full responsibility for the accuracy of the information contained in this letter, and upon making all reasonable inquiries, confirms that to the best of its knowledge and belief, there is no omission of facts which would make any statement in this letter misleading as at the date of its issuance.

Unless otherwise defined herein, all other capitalised terms used herein shall bear the same meaning as capitalised terms used in the prospectus dated 15 December 2022 (the Offering Document).

**Re: Hamon Asian Funds (the Trust)
Hamon Asia ESG Focus Fund (the Sub-Fund)**

28 February 2023

Termination of the Trust and the Sub-Fund

Dear Unitholder

The Directors of KBA Consulting Management Limited (the **Manager**) wish to notify all Unitholders of the Trust of the termination of the Sub-Fund and the consequential termination of the Trust. It is expected that the termination of both the Sub-Fund and the Trust will take effect on or around 31 March 2023 (the **Effective Date**).

I. Background

As at 31 January 2023, the net asset value of the Sub-Fund was US\$8,314,143.

Having consulted with Hamon Asset Management Limited (the **Investment Advisor**), the Directors of the Manager are of the opinion that it would not be practical or in the best interests of Unitholders to continue the operations of the Trust and the Sub-Fund taking into account the Trust and the Sub-Fund's expenses and aggregate size and therefore have determined to terminate the Trust and the Sub-Fund pursuant to Clause 27(c)(ii) of the Trust Deed.

Clause 27(c)(ii) of the Trust Deed provides that the Trust may be terminated by the Manager by notice in writing if, in the opinion of the Manager, it becomes impracticable, inadvisable or no longer in the best interests of Unitholders to continue the Trust taking into account the expenses, the aggregate size of the Trust and any other factors considered relevant by the Manager.

2. Implication of the termination

The Manager has closed the Sub-Fund for subscriptions.

The Sub-Fund will continue to be managed in accordance with its investment rationale, investment objective, investment policies and restrictions as set out in the Offering Document as closely as practicable until the Effective Date. However, the Sub-Fund may liquidate certain positions as is considered appropriate between the date of this notice and the Effective Date in order to facilitate any forthcoming redemptions and the subsequent compulsory repurchase of shares. As such, the Sub-Fund may not always be compliant with its investment rationale, objective and policies during this period.

The termination process disclosed in this notice (including the arrangements of all costs associated with the termination of the Trust and the Sub-Fund) will be in accordance with and in compliance with the Offering Document and the Trust Deed.

3. Ongoing charges

The ongoing charges of the following classes of the Sub-Fund are set out below:

Share class	Ongoing charges figure
USD Class	5.41%
Sterling Class	5.41%

The ongoing charges figure is the fees payable out of the assets of the Sub-Fund and this represents the expenses for the 12-month period ended 31 December 2022 expressed as a percentage of the average net asset value of the relevant class of units over the same period.

4. Costs and expenses

As of the date of this notice, there are no unamortized preliminary expenses of the Trust and the Sub-Fund.

The Manager has made provision in the Sub-Fund's net asset value (estimated to be approximately US\$134,031, i.e. approximately 1.61% of its net asset value as of 31 January 2023) for the anticipated costs in connection with the termination of the Sub-Fund and the Trust and the subsequent revocation of authorisation by the relevant regulators (including the Central Bank of Ireland).

While the provision is an estimate only, it represents the Manager's best estimate of costs and it is not anticipated that the final costs would materially deviate from the provisions made under normal circumstances. However, if there is any shortfall in the provision, the Investment Advisor will bear the shortfall. In the event that there is any excess in the provision, the Manager will, after consultation with the Trustee, make a distribution to the Unitholders who remain as a Unitholder as at the Effective Date. This distribution will be distributed to the Unitholders as soon as reasonably practicable after the Effective Date. This distribution (if any) will, subject to the applicable laws and the applicable provisions of the Trust Deed, operate to discharge the Trustee and the Manager in full any liability or obligation the Trustee or the Manager may owe to the Unitholder in respect of its unitholding in the Sub-Fund.

5. Options available to Unitholders

You may choose to redeem your Units in the Sub-Fund free of charge in accordance with the Offering Documents on any Dealing Day before the dealing deadline (i.e. 10.00 a.m. (Irish time) on 30 March 2023). For further details, in relation to the procedures for redemption of Units, please refer to the section headed "Redemption of Units" in the Prospectus.

On the Effective Date, remaining Unitholders in the Sub-Fund will be compulsorily redeemed in accordance with the terms of the Trust Deed. Redemption proceeds shall be distributed to Unitholders as further described below.

6. Distribution of redemption proceeds

Pursuant to the Trust Deed, with effect on and from the Effective Date:

1. The Bank of New York Mellon SA/NV, Dublin Branch (the **Trustee**) shall realise all the assets then compromised in the Sub-Fund (which realisation shall be carried out and completed in such manner and within such period after the Effective Date as the Trustee think advisable); and
2. Unitholders of the Sub-Fund on the Effective Date will be paid the net cash proceeds derived from the realisation of the assets of the Sub-Fund which are available for distribution

in proportion to their respective interests in the Sub-Fund and in accordance with the Prospectus.

7. Termination Audit Report and Period

The Manager has determined to extend the financial year-end of the Trust from 31 December 2022 to no later than 31 March 2023. This extension is to facilitate the orderly termination of the Trust and the application for revocation of its authorisation by the relevant regulators (including the Central Bank of Ireland). The Manager considers proceeding in this manner to be in the interests of the Unitholders as it will be more cost and time efficient than carrying out two separate audits.

The Manager will publish the termination audit report as follows:

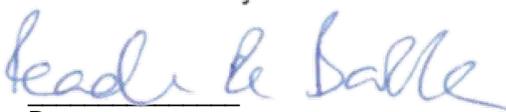
- (i) the contents of the termination audit report shall comply with all applicable laws and regulations; and
- (ii) the termination audit report shall be published on the Investment Advisor's website at <http://www.hamon.com.hk/>¹ as soon as practicable and in any event no later than four months after the Effective Date, and will remain published on the website for a period of at least one year after the date on which the authorisation of the Trust and the Sub-Fund is withdrawn by relevant regulators. Hard copies of the annual report may also be obtained from the Manager upon request, free of charge, within the same period.

8. Conclusion

This notice is for information purposes only and Unitholders are not required to take any action.

Should you have any queries regarding this notice, please contact Hamon Asset Management Limited at +852 2526 4268 or via email: enquiry@hamon.com.hk.

Yours faithfully



Director

**For and on behalf of
KBA Consulting Management Limited**

¹ The website has not been reviewed or authorised by the SFC and may contain information of funds not authorised by the SFC in Hong Kong.