

ChinaAMC Hang Seng Hong Kong Biotech Index ETF Included in ETF Connect Scheme

(3069 HK / 9069 HK / 83069 HK)

Product Risk Warning:

Investment involves risks, including the loss of principle. Past performance is not indicative of future results. Before investing in below products, investor should refer to the Fund's prospectus for details, including the risk factors. You should not make investment decision based on the information on this material alone. Please note:

Important Information about ChinaAMC Hang Seng Hong Kong Biotech Index ETF

The Fund aims to provide investment result that, before fees and expenses, closely corresponds to the performance of the Hang Seng Hong Kong-Listed Biotech Index (the "Index").

The Fund is passively managed and the Manager will not have the discretion to adapt to market changes. Falls in the Index are expected to result in corresponding falls in the value of the Fund.

The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors. The Index is a new index. The Fund may be riskier than those tracking more established indices with longer operating history. The Fund is subject to concentration risks in biotech companies and in a particular geographical region (i.e., Hong Kong and mainland China). The Fund may be more volatile than a broadly-based fund.

The Fund is exposed to risks associated with characters of biotech companies, such as pre-revenue, incurrence of net current liabilities, lower liquidity, higher volatility, dependency on intellectual property rights or patents, technological changes, increased regulations and intense competition.

The Fund is subject to tracking error risk.

If any suspension of the inter-counter transfer of units and/or any limitation on the level of services by brokers and CCASS participants occurs, unitholders will only be able to trade their units in one counter. The market price of units traded in each counter may deviate significantly.

Unitholders will receive distributions in the HKD only. In the event that a unitholder has no HKD account, the unitholder may have to bear bank or financial institution fees and charges associated with currency conversion.

The Fund's base currency is HKD but has units traded in USD. Investors may be subject to additional costs or losses associated with foreign currency fluctuations.

Generally, retail investors can only buy or sell units of the Fund on the SEHK. The trading price of the units on the SEHK is driven by market factors such as the demand and supply of the units. Therefore, the units may trade at a substantial premium or discount to the Fund's NAV.

HONG KONG – July 12, 2024

ChinaAMC (HK) is pleased to announce that the ChinaAMC Hang Seng Hong Kong Biotech Index ETF (3069.HK) will be included as a southbound eligible ETF under Stock Connect Scheme (the "Scheme") for trading, starting July 22, 2024.

ChinaAMC Hang Seng Hong Kong Biotech Index ETF is the market's first and only biotech ETF investing in purely Hong Kong-listed names. The inclusion marks the third ETF from ChinaAMC (HK) to join the Scheme, following our HSI ESG ETF and Hang Seng Tech Index ETF.

The expansion of ETFs under Stock Connect is followed by the measures released by the China Securities Regulatory Commission (CSRC) on April 19, 2024, which lowered the thresholds on fund size and weighting of Hong Kong-listed stocks in benchmark index for ETFs, providing a broader range of investment options for mainland investors.

"This expansion will further enhance the investment options available to investors, allowing them to better diversify their portfolios," commented Max Lan, Head of ETF Investment at ChinaAMC (HK). "The HKEX listing reforms have positioned Hong Kong as the main listing venue for innovative Chinese biotechnology companies. Correspondingly, the biotech ETF offers a highly efficient and cost-effective means of portfolio diversification, providing investors with exposure to the high growth potential of the biotechnology sector."

About ChinaAMC (HK):

Established in 2008, China Asset Management (Hong Kong) Limited ("ChinaAMC (HK)") is a leading Chinese asset manager in Hong Kong. The company is a wholly owned subsidiary of China Asset Management Co. Limited, one of the trusted asset managers and largest ETF provider in Mainland China with over USD 300 billion in assets under management as of March 31, 2023.

ChinaAMC (HK) has amassed an impressive performance history in both active and passive investments over the past 16 years. Boasting robust expertise in a variety of asset classes, such as Greater China equities, Asian and global fixed income, and global ETF series, ChinaAMC (HK) adopts a global outlook to build a versatile platform catering to institutional and retail investors in the region and worldwide. Committed to innovation and growth in the financial sector, ChinaAMC (HK) is actively expanding into the Web 3.0 space, exploring new opportunities in blockchain and decentralized finance technologies. All efforts align with their vision of being "Beyond China Expert".

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Source: Shenzhen Stock Exchange, data as of July 12, 2024

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