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## ChinaAMC CSI 300 Index ETF

*(the “CSI 300 ETF”)*

**RMB Counter Stock Code: 83188**

**HKD Counter Stock Code: 03188**

## ChinaAMC CES China A80 Index ETF

*(the “A80 ETF”)*

**RMB Counter Stock Code: 83180**

**HKD Counter Stock Code: 03180**

*(together, the “Sub-Funds”)*

*(sub-funds of ChinaAMC ETF Series (the “Trust”), a Hong Kong umbrella unit trust, authorised under Section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong)*

### Announcement

#### Changes to the Trust Deed in relation to investment restrictions of the Sub-Funds

##### *Changes to the Trust Deed*

The Manager of the Sub-Funds, China Asset Management (Hong Kong) Limited (the “**Manager**”) hereby announces that, effective from September 15, 2014, changes will be made to the trust deed of the Trust (the “**Trust Deed**”) to effect the following amendments to the investment restrictions applicable to the Sub-Funds (except amendment number 5 which is only made to the CSI 300 ETF) (the “**Amendments**”):

1. the Sub-Funds may not invest in physical commodities or other commodity-based investments;
2. the Sub-Funds may not invest in units or shares of other collective investment schemes;

3. the Sub-Funds may not enter into uncovered sale of securities;
4. the maximum amount which the Sub-Funds are allowed to borrow is changed from 25% to 10% of the Sub-Funds' respective latest available Net Asset Value; and
5. in relation to the CSI 300 ETF only, it shall not assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.

The changes above are being made as they reflect the current practice of the Sub-Funds more accurately.

For the avoidance of doubt, investment restrictions applicable to future sub-funds of the Trust will not be affected.

Other than to reflect the Amendments, Clause 13.5 of the Trust Deed is also amended to comply with the SFC's requirements in relation to the Trustee's liability for its nominees and agents in relation to assets forming part of the property of the Trust.

Changes to the Trust Deed are set out in the Appendix to this Announcement.

#### *Impact of the Amendments*

Since the inception of the Sub-Funds, none of the Sub-Funds has:

- (a) invested in physical commodities or other commodity-based investments;
- (b) invested in units or shares of other collective investment schemes;
- (c) entered into uncovered sale of securities;
- (d) borrowed more than 10% of their respective latest available Net Asset Value.

Moreover, since the inception of the CSI 300 ETF, it has not assumed, guaranteed, endorsed or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person. As such, the current investments of the Sub-Funds are not affected by the Amendments. The Amendments do not affect the Manager in seeking to achieve the Sub-Funds' respective investment objectives. The Amendments will not materially affect Unitholders of the Sub-Funds.

Cititrust Limited, the Trustee of the Trust, agrees to the Amendments.

#### *General*

The Prospectuses of the Sub-Funds will be updated by way of addenda to reflect the Amendments.

The revised Prospectuses will be uploaded before market opens on 15 September 2014 on the websites (for the CSI 300 ETF) <http://etf.chinaamc.com.hk/HKen/CSI300> and (for the A80 ETF) <http://etf.chinaamc.com.hk/HKen/A80> (the contents of these websites have not been reviewed by the SFC). A copy of the Trust Deed with the changes as set out in the Appendix incorporated will be available for inspection at our office at 37th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong from 15 September 2014.

Unless otherwise defined, all capitalised terms shall have the same meaning as that in the Prospectuses of the Sub-Funds.

Investors who have any enquiries regarding the above may contact the Manager at 37th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong or our enquiry hotline at (852) 3406 8686 during office hours.

**China Asset Management (Hong Kong) Limited 華夏基金（香港）有限公司**  
**as Manager of the ChinaAMC CSI 300 Index ETF and the ChinaAMC CES China A80 Index**  
**ETF**

**Date: 15 August 2014**

## APPENDIX

### CHANGES TO THE TRUST DEED

1. Clauses 11.2(E), (F) and (G) of the Trust Deed will be deleted in their entirety and replaced by the following:

“(E)

- (a) in relation to the ChinaAMC CSI 300 Index ETF and the ChinaAMC CES China A80 Index ETF only, the Sub-Fund may not invest in physical commodities (including gold, silver, platinum or other bullion) and commodity based investments (excluding, for this purpose, Securities of companies engaged in producing, processing or trading in commodities);
- (b) in relation to Sub-Funds other than the ChinaAMC CSI 300 Index ETF and the ChinaAMC CES China A80 Index ETF, not more than 20 per cent. of the Net Asset Value of the Sub-Fund may consist of physical commodities (including gold, silver, platinum or other bullion) and commodity based investments (excluding, for this purpose, Securities of companies engaged in producing, processing or trading in commodities);

(F)

- (a) in relation to the ChinaAMC CSI 300 Index ETF and the ChinaAMC CES China A80 Index ETF only, the net total aggregate value of futures contract prices, whether payable to or by the Sub-Fund (other than futures contracts entered into for hedging purposes), may not exceed 20 per cent. of the Net Asset Value of the Sub-Fund;
- (b) in relation to Sub-Funds other than the ChinaAMC CSI 300 Index ETF and the ChinaAMC CES China A80 Index ETF, the net total aggregate value of futures contract prices, whether payable to or by the Sub-Fund (other than futures contracts entered into for hedging purposes), together with the aggregate value of investments falling within paragraph (E) above held by the Sub-Fund, may not exceed 20 per cent. of the Net Asset Value of the Sub-Fund;

(G)

- (a) in relation to the ChinaAMC CSI 300 Index ETF and the ChinaAMC CES China A80 Index ETF only, the Sub-Fund may not invest in units or shares of other collective investment schemes;
- (b) in relation to Sub-Funds other than the ChinaAMC CSI 300 Index ETF and the ChinaAMC CES China A80 Index ETF, (i) not more than 10 per cent. of the Net Asset Value of the Sub-Fund may consist of shares or units in other collective investment schemes (“managed funds”) which are non-recognised jurisdiction schemes (as determined by the SFC) and not authorised by the SFC; (ii) not more than 30 per cent. of the Net Asset Value of the Sub-Fund may consist of shares or units in a managed fund which is either a recognised jurisdiction scheme (as determined by the SFC) or an SFC-authorized scheme unless the managed fund is authorised by the SFC and the relevant disclosure requirements in the Code are complied with, provided that:
  - (1) in respect of one or more underlying schemes which are either recognised jurisdiction schemes or schemes authorised by the SFC which a Sub-Fund may be entitled to invest in pursuant to the Code, the value of the units or shares held for the account of such Sub-Fund in each such underlying scheme may not exceed 30 per cent. of the Net Asset Value of the relevant

Sub-Fund, unless the underlying scheme is authorised by the SFC and its name and key investment information are disclosed in the Prospectus;

- (2) in addition, the objective of each underlying scheme may not be to invest primarily in any investment prohibited by Chapter 7 of the Code, and where that underlying scheme's objective is to invest primarily in investments restricted by Chapter 7 of the Code, such holdings may not be in contravention of the relevant limitation prescribed by Chapter 7 of the Code;
- (3) where an investment is made in any underlying scheme(s) managed by the Manager or any of its Connected Persons, all initial charges on the underlying scheme(s) must be waived; and
- (4) the Manager may not obtain a rebate on any fees or charges levied by an underlying scheme or the management company of an underlying scheme;"

2. Clause 11.6(G) of the Trust Deed will be deleted in its entirety and replaced by the following:

"(G)

- (a) in relation to the ChinaAMC CSI 300 Index ETF only, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person;
- (b) in relation to all Sub-Funds other than the ChinaAMC CSI 300 Index ETF, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person without the prior written consent of the Trustee;"

3. The following will be added as Clause 11.6(J) of the Trust Deed:

"(J) in relation to the ChinaAMC CSI 300 Index ETF and the ChinaAMC CES China A80 Index ETF only, enter into uncovered sale of Securities."

4. Clause 12.2 of the Trust Deed will be deleted in its entirety and replaced by the following:

"12.2

- (A) In relation to the ChinaAMC CSI 300 Index ETF and the ChinaAMC CES China A80 Index ETF only, no borrowing shall be made in respect of a Sub-Fund which would result in the principal amount for the time being of all borrowings made pursuant to this Clause 12 for the account of the relevant Sub-Fund exceeding an amount equal to 10 per cent. of the latest available Net Asset Value of the relevant Sub-Fund at the time of the borrowing (and the Manager shall seek to ensure on an ongoing basis that aggregate borrowings for the account of the relevant sub-Fund shall not exceed 10 per cent. of the latest available Net Asset Value of the Sub-Fund), provided always that borrowings referred in Clauses 12.7 and 12.8 shall not be taken into account when determining whether or not these limits have been breached by the relevant Sub-Fund.
- (B) In relation to all Sub-Funds other than the ChinaAMC CSI 300 Index ETF and the ChinaAMC CES China A80 Index ETF, no borrowing shall be made in respect of a Sub-Fund which would result in the principal amount for the time being of all borrowings made pursuant to this Clause 12 for the account of the relevant Sub-Fund exceeding an amount equal to 25 per cent. of the latest available Net Asset Value of the relevant Sub-Fund at the time of the borrowing (and the Manager shall seek to ensure on an ongoing basis that aggregate borrowings for the account of the relevant sub-Fund shall not exceed 25 per cent. of the latest available Net Asset Value of the Sub-Fund), provided always that borrowings referred in Clauses

12.7 and 12.8 shall not be taken into account when determining whether or not these limits have been breached by the relevant Sub-Fund.”

5. The following will be added under Clause 13.5 after the sentence “*For the purposes of this Clause 13.5, the term “Custodian” shall include the PRC Custodian*”:

“For the avoidance of doubt, for so long as the Trust is authorised by the SFC under section 104 of the Securities and Futures Ordinance (Cap 571) of Hong Kong, section 41O of the Trustee Ordinance (Cap 29) of Hong Kong shall not apply to the extent that is inconsistent with Clause 13.5 or Clause 29.17 and/or with the Trustee’s duties and responsibilities under the SFC Handbook for Unit Trusts and Mutual Funds, Investment-Linked Assurance Schemes and Unlisted Structured Investment Products, and shall not in any way operate to exempt or diminish any liability of the Trustee as set out in Clause 30.11.”