

ChinaAMC Return Securities Investment Fund
and
ChinaAMC Xinghua Mixed Securities Investment Fund
(Collectively, the "Funds")

ANNOUNCEMENT TO UNITHOLDERS

This announcement is important and requires your immediate attention. If you are in any doubt about the contents of this announcement, you should consult your bank manager, legal adviser, accountant or other independent financial adviser. China Asset Management Co., Ltd. (the "Company"), the Fund Manager of the Funds, accepts full responsibility for the accuracy of the information contained in this announcement at the date of publication, and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement in this announcement misleading. All capitalised terms contained herein shall have the same meaning in this announcement as in the Prospectus and the Hong Kong Covering Document of each of the Funds (as amended from time to time), unless otherwise provided in this announcement.

Please note that in the Announcement, except ChinaAMC Return Securities Investment Fund and ChinaAMC Xinghua Mixed Securities Investment Fund, all other funds are not authorized by the SFC in Hong Kong and not available to Hong Kong residents.¹

Dear Unitholder,

Announcement of China Asset Management Co., Ltd. on Revision of the Prospectus of the Funds (the "Prospectuses") to reflect the *Regulations on the Management of Liquidity Risk of Publicly Offered Open-end Securities Investment Funds*

Pursuant to the provisions of the Securities Investment Fund Law of the People's Republic of China, Regulations on the Management of Liquidity Risk of Publicly Offered Open-end Securities Investment Funds (hereinafter referred to as the "Liquidity Risk Management Regulations") and fund contracts of the Funds, and upon negotiation and obtaining the agreement of the respective custodians of the Funds and filing with the Beijing Regulatory Bureau of the China Securities Regulatory Commission for its records, the Company has decided to revise the sections titled

¹ SFC authorization is not a recommendation or endorsement of a product nor does it guarantee the commercial merits of a product or its performance. It does not mean the product is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

"Preface", "Definitions", "Subsequent Subscription and Redemption of Units"², "Investment of Fund", "Valuation of Assets of the Fund", "Information Disclosure of the Fund" and "Risk Factors" in the respective Prospectuses of the Funds. The major revisions are as follows (please refer to the comparison tables in the Appendix 1 and 2 for details of the amendments):

I. Basis and Scope of Revision

The Company has revised the Prospectuses of the Funds (hereinafter referred to as the "Original Prospectuses") in accordance with the "Liquidity Risk Management Regulations".

II. Revision of the Prospectuses of the Funds

Due to the differences in the fund types, operating methods, investment orientations etc., there may be differences in the revised contents and specific statements in the Prospectus of each of the Funds. The revisions made to the Original Prospectuses listed in the main body of this announcement do not specifically distinguish between fund categories. For details of the specific amendments to each of the Funds, please refer to the comparison tables in Appendix 1 and 2. The Funds will comply with the provisions of the "Liquidity Risks Management Regulations" only to the extent such provisions are applicable to the fund type or category of each of the Funds. The provisions of the "Liquidity Risks Management Regulations" shall prevail unless otherwise stipulated by laws and regulations or regulatory authorities or the special circumstances recognized by the CSRC.

(I) Revisions to the sections headed "Preface" and "Definitions" in the Original Prospectuses

1. "Regulations on the Management of Liquidity Risks of Publicly Offered Open-end Securities Investment Funds" will be inserted into the section titled "Preface" in relation to the basis for formulating the Prospectuses.

2. The definitions of "Liquidity Risk Management Regulations", "Liquidity Restricted Assets" and "Swing Pricing Mechanism" will be inserted into the section titled "Definitions".

(II) Revision to the section headed "Subsequent Subscription and Redemption of Units"³ in the Original Prospectuses

²The relevant section of the Prospectus of the ChinaAMC Return Securities Investment Fund is entitled "Subsequent Subscription, Redemption and Switching of Units".

³The relevant section of the Prospectus of the ChinaAMC Return Securities Investment Fund is entitled "Subsequent Subscription, Redemption and Switching of Units".

1. The following paragraph will be inserted under the sub-section relating to limitation on subsequent subscription amount and redemption amount:

"Where a Subsequent Subscription application may pose a potentially significant adverse impact on the interests of existing Unitholders, the Fund Manager shall set a limit for a single investor's Subsequent Subscription amount or a single day's net Subsequent Subscription ratio for the Fund, reject the substantial Subsequent Subscription amount, suspend Subsequent Subscriptions for the Fund or adopt such other measures, in order to effectively protect the legitimate rights and interests of existing Unitholders. Please refer to the relevant announcements for details."

2. Revisions to the sub-section headed "Subsequent Subscription Fee and Redemption Fee"

(1) A provision in respect of short-term redemption fees and its specific fee rate arrangements will be inserted. For the avoidance of doubt, the revision will not apply to investors in Hong Kong investing in Class H Units.

(2) The provisions relating to the adoption of a Swing Pricing Mechanism by the Fund Manager when there is a substantial Subsequent Subscription or Redemption will be inserted.

3. The following provisions will be inserted into the sub-section relating to rejection or suspension of subsequent subscription and the relevant treatment:-

(1) "If, on the preceding Valuation Date, more than 50% of the Net Asset Value of the Fund was invested in assets the value of which could not be referenced to any active market price and the use of valuation techniques would still cause significant uncertainty to the fair value of those assets, the Fund Manager shall suspend applications for Subscription of the Fund after consultation and confirmation with the Fund Custodian."

(2) "When a Subsequent Subscription application or certain Subsequent Subscription applications may result in the Units held by a single investor reaching or exceeding 50% of the Fund's Net Asset Value, or disguised avoidance of 50% concentration, the Fund Manager may reject or suspend the investor's Subsequent Subscription application."

4. The following provision will be inserted into the sub-section relating to suspension of redemption or deferral of payment of redemption applications:

"If, on the preceding Valuation Date, more than 50% of the Net Asset Value of the Fund was invested in assets the value of which could not be referenced to any active market price and the use of valuation techniques would still cause significant uncertainty to the fair value of those assets, the Fund Manager shall suspend the Redemption application of the Fund or defer the payment of Redemption proceeds

after consultation and confirmation with the Fund Custodian."

5. Provisions will be inserted into the section titled "Treatment of Substantial Redemption" to provide that, where a single Unitholder makes a Substantial Redemption application(s) that exceeds a certain proportion of the total number of Fund Units, the Fund Manager may defer the redemption application(s) and agree on the relevant treatment of the redemption application(s).

(III) Revisions to the section titled "Investments of Fund" in the Original Prospectuses

1. For the ChinaAMC Return Securities Investment Fund, it will be inserted in this section that "At the end of the trading day, cash and government bonds with maturity less than one year should not be less than 5% of the Net Asset Value of the Fund. The term "cash" does not include Deposit Reservation for Balances, Guarantee Deposit and Margin Paid, Subsequent Subscription Fees Receivable, etc."

For the ChinaAMC Xinghua Mixed Securities Investment Fund, it will be clarified in this section that the term "cash" does not include Deposit Reservation for Balances, Guarantee Deposit and Margin Paid, Subsequent Subscription Fees Receivable, etc.

2. The following investment restrictions on investing in tradable shares will be inserted:

"All open-ended funds managed by the Fund Manager holding tradable shares issued by a listed company must not hold more than 15% of the tradable shares of such listed company. All portfolios managed by the Fund Manager holding tradable shares issued by a listed company must not hold more than 30% of the tradable shares of such listed company."

3. The following investment restriction on active investment in liquidity restricted assets will be inserted:

"The total market value of the Fund's active investment in Liquidity Restricted Assets must not exceed 15% of the Net Asset Value of the Fund. Where the Fund becomes non-compliant with this restriction due to factors that are out of the Fund Manager's control such as fluctuations in the securities market, suspension of securities of listed companies and changes in fund sizes, the Fund Manager shall not actively increase the Fund's investment in Liquidity Restricted Assets."

4. The following investment restriction on the collateral requirement for reverse repurchase transactions will be inserted:

"If the Fund carries out reverse repurchase transactions with private securities asset management products and other entities recognized by the CSRC as transaction

counterparties, the quality of the collateral received shall be consistent with the scope of investment agreed in the Fund Contract."

(IV) Revisions to the section headed "Valuation of Assets of the Fund" in the Original Prospectuses

1. Added the following provision under the sub-section headed "Valuation Methods":

"When there is a Substantial Subsequent Subscription or Redemption, the Fund Manager may adopt a Swing Pricing Mechanism to ensure the fairness of valuation of the Fund."

2. The following provision will be inserted into the sub-section relating to suspension of valuation:

"If, on the preceding Valuation Date, more than 50% of the Net Asset Value of the Fund was invested in assets the value of which could not be referenced to any active market price and the use of valuation techniques would still cause significant uncertainty to the fair value of those assets, the Fund Manager shall suspend the valuation of the Fund after consultation and confirmation with the Fund Custodian."

(V) Revisions to the section titled "Information Disclosure of the Fund" in the Original Prospectuses

1. The following provision will be inserted into the disclosure on periodic reports:

"The Fund Manager shall disclose the portfolio assets of the Fund and the liquidity risk analysis in the Fund's annual report and semi-annual report.

If a single investor holds Fund Units reaching or exceeding 20% of the total Fund Units during the reporting period, for the purpose of protecting the rights and interests of other investors, the Fund Manager shall at a minimum disclose the category of the investor, the amount and proportion of Fund Units held as at the end of the reporting period, the changes in the number of Units held during the reporting period, and the risks specific to the products in the section "Other Important Information Affecting Investors' Decision-making" in the periodic reports of the Fund, except for the special circumstances recognized by the CSRC."

2. "Occurrence of major events involving the adjustment to the Subscription and Redemption of the Fund or potential impact on Redemption of investors" and "The Fund Manager adopts a Swing Pricing Mechanism to carry out valuation" will be inserted in the sub-section headed "Extraordinary Announcement" as Major Events that should be disclosed.

(VI) Revision to the section titled "Risk Factors" in the Original Prospectuses

The provisions in relation to risk assessment measures of the Fund, liquidity risk management measures in the case of Substantial Redemptions and related measures should there be liquidity risk to the Fund will be inserted into the sub-section headed "Liquidity risk".

(VII) Revisions to the Fund Contracts of the Funds

The respective Fund Contracts of the Funds will be amended to reflect the applicable requirements in the Liquidity Risk Management Regulations and will be available for inspection in due course.

The Fund Manager may revise the Prospectus and Hong Kong Covering Document according to the prevailing effective laws and regulations and relevant announcements issued by the Fund Manager and the respective Fund Custodians of the Funds provided that the rights and obligations of the parties to the fund contracts will not be varied or the interests of the Unitholders are not materially and adversely affected. The above revisions have fulfilled the prescribed procedures and are in compliance with the relevant laws and regulations and the provisions of the fund contracts. The revisions shall take effect from 30 March 2018. The updated Prospectus and Hong Kong Covering Document will be available in due course.

Unitholders who have any enquiries regarding the above may contact the Hong Kong Representative at 37/F, Bank of China Tower, 1 Garden Road, Central, Hong Kong or the enquiry hotline at (852) 3406 8686 during office hours or by electronic mail at hkfund_services@chinaamc.com.

Announcement is hereby made.

China Asset Management Co., Ltd.
23 March 2018

Appendix 1: Comparison table for supplementary revisions of ChinaAMC Return Securities Investment Fund Prospectus (Update)

Appendix 2: Comparison table for supplementary revisions of ChinaAMC Xinghua Mixed Securities Investment Fund Prospectus (Update)

Appendix 1

Comparison table for supplementary revisions of ChinaAMC Return Securities Investment Fund Prospectus (Update), the revised contents are marked in **bold italic**:

Sections	Title	Current provisions	Proposed provisions after amendment
I. Preface	First paragraph	<p><i>ChinaAMC Return Securities Investment Fund Prospectus (Updated)</i> (hereinafter referred to as the "Prospectus") is formulated pursuant to the <i>Securities Investment Fund Law of the People's Republic of China</i> (hereinafter referred to as the "Funds Law"), the <i>Administrative Measures on Sales of Securities Investment Funds</i> (hereinafter referred to as the "Measures on Sales"), the <i>Administrative Measures on the Operation of Securities Investment Funds</i> (hereinafter referred to as the "Measures on Operation"), the <i>Administrative Measures on Information Disclosure of Securities Investment Funds</i> (hereinafter referred to as the "Measures on Information Disclosure"), and other relevant laws and regulations and <i>ChinaAMC Return Securities Investment Fund Contract</i> (hereinafter referred to as the "Fund Contract").</p>	<p><i>ChinaAMC Return Securities Investment Fund Prospectus (Updated)</i> (hereinafter referred to as the "Prospectus") is formulated pursuant to the <i>Securities Investment Fund Law of the People's Republic of China</i> (hereinafter referred to as the "Funds Law"), the <i>Administrative Measures on Sales of Securities Investment Funds</i> (hereinafter referred to as the "Measures on Sales"), the <i>Administrative Measures on the Operation of Securities Investment Funds</i> (hereinafter referred to as the "Measures on Operation"), the <i>Administrative Measures on Information Disclosure of Securities Investment Funds</i> (hereinafter referred to as the "Measures on Information Disclosure"), <i>the Regulations on the Management of Liquidity Risk of Publicly Offered Open-end Securities Investment Funds (hereinafter referred to as the "Liquidity Risk Management Regulations")</i>, and other relevant laws and regulations and <i>ChinaAMC Return Securities Investment Fund Contract</i> (hereinafter referred to as the "Fund Contract").</p>
II. Definitions		<p>No definitions of <i>Liquidity Risk Management Regulations</i>, liquidity restricted assets and swing pricing mechanism.</p>	<p><i>Liquidity Risk Management Regulations: The Regulations on the Management of Liquidity Risk of Publicly Offered Open-end Securities Investment Funds promulgated by the China Securities Regulatory Commission on 31 August 2017 and implemented on 1 October of the same year, and its revisions made by the issuing authorities from time to time.</i></p> <p><i>Liquidity Restricted Assets: The assets that cannot be realized at reasonable prices due to laws and regulations, supervision, contracts or operational obstacles, including but not limited to reverse repurchases and bank term deposits with maturity dates of more than 10 trading days (including the bank deposits with conditions agreed to be withdrawn in advance under agreement), suspended shares, new shares with circulation restriction, shares that are not publicly offered, asset-backed securities, bonds that cannot be transferred or traded due to default of the issuer, etc.</i></p> <p><i>Swing Pricing Mechanism: The mechanism that when the open-end fund is subject to Substantial Subscription and Redemption, the cost of market impact from adjustment to the investment portfolio of the fund will be allocated to the investors who actually make Subsequent Subscription and Redemption by adjusting the Net Value of the fund Unit, thereby reducing the adverse impact of the interests of Unitholders for the purpose of ensuring that the legitimate rights and interests of investors are not compromised and</i></p>

Appendix 1

			<i>are treated fairly.</i>						
XIII. Subsequent Subscription, Redemption and Switching of Units	(VII) Limitation on Subsequent Subscription Amount and Redemption Amount	No point 3 on the right.	3. Where a Subsequent Subscription application may pose a potentially significant adverse impact on the interests of existing Unitholders, the Fund Manager shall set a limit for a single investor's Subsequent Subscription amount or a single day's net Subsequent Subscription ratio for the Fund, reject the substantial Subsequent Subscription amount, suspend Fund Subsequent Subscriptions for the Fund or adopt such other measures, in order to effectively protect the legitimate rights and interests of existing Unitholders. Please refer to the relevant announcements for details.						
	(VIII) Subsequent Subscription Fee and Redemption Fee 3. Redemption fee of Class A Units	3. Redemption fee of Class A Units The Redemption fee of the Fund shall be borne by the redeemer and shall be charged when the investor redeems the units. The Redemption fee rate is 0.5%. 25% of the total Redemption fee received shall be deducted and credited to the assets of the Fund according to the law, and the remaining is used to pay registration fee, sales handling fee and other expenses.	3. Redemption fee of Class A Units The Redemption fee of the Fund shall be borne by the redeemer and shall be charged when the investor redeems the units. The Redemption fee rates of Class A Units are as follows: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><i>Holding period</i></th> <th style="text-align: center;"><i>Redemption fee rates</i></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;"><i>Within 7 days</i></td> <td style="text-align: center;"><i>1.5%</i></td> </tr> <tr> <td style="text-align: center;"><i>More than 7 days (inclusive)</i></td> <td style="text-align: center;"><i>0.5%</i></td> </tr> </tbody> </table> <p>If the Units held at the time of Redemption are less than 7 days, the full amount of the charged Redemption fee shall be credited to the assets of the Fund. For Redemption fee charged on Units held for more than 7 days (inclusive) at the time of Redemption, 25% of the total Redemption fee received shall be deducted and credited to the assets of the Fund according to the law, and the remaining is used to pay registration fee, sales handling fee and other expenses.</p>	<i>Holding period</i>	<i>Redemption fee rates</i>	<i>Within 7 days</i>	<i>1.5%</i>	<i>More than 7 days (inclusive)</i>	<i>0.5%</i>
<i>Holding period</i>	<i>Redemption fee rates</i>								
<i>Within 7 days</i>	<i>1.5%</i>								
<i>More than 7 days (inclusive)</i>	<i>0.5%</i>								
	(VIII) Subsequent Subscription Fee and Redemption Fee	No point 7 on the right.	7. When there is a substantial Subsequent Subscription or Redemption, after performing due processes in accordance with laws and regulations and regulatory requirements, the Fund Manager may adopt a Swing Pricing Mechanism to ensure the fairness of the valuation of the Fund. The specific principles and operating rules follow the relevant laws, regulations and provisions of regulatory authorities, as well as the relevant self-regulatory rules.						
	(IX) Calculation Methods of Subsequent Subscription Units and Redemption Example 2: Assuming that an investor redeems 10,000 Class A Units on T Day; the net asset value per unit is 1.250 Yuan and the investor has paid front-end Subscription/Subsequent Subscription fee at the time of Subscription/ Subsequent Subscription, the Redemption amount obtained is calculated as follows: Example 2: Assuming that an investor redeems 10,000 Class A Units on T Day; the net asset value per unit is 1.250 Yuan and the holding period is six months and the investor has paid front-end Subscription/Subsequent Subscription fee at the time of Subscription/ Subsequent Subscription, the Redemption amount obtained is calculated as follows:						

Appendix 1

	<p>Amounts</p> <p>2. Calculation of the Redemption Amount</p>	<p>Total Redemption amount = $10,000.00 \times 1.250 = 12,500.00$ Yuan</p> <p>Redemption fee = $12,500.00 \times 0.5\% = 62.50$ Yuan</p> <p>Redemption amount = $12,500.00 - 62.50 = 12,437.50$ Yuan</p> <p>.....</p> <p>Example 4: Assuming that the net asset value per unit on the day on which an investor makes Subsequent Subscription for the units is 1.200 Yuan and the investor chooses to pay back-end Subsequent Subscription fee, and respectively redeems 10,000 Class A Units after half a year, one and a half year and two and a half years; the net asset value per unit on the Redemption day is 1.230, 1.300 and 1.360 Yuan respectively. The redemption fee charged, back-end Subsequent Subscription fee and the Redemption amount obtained for each Redemption are calculated as follows:</p> <table border="1" data-bbox="438 817 957 1825"> <thead> <tr> <th></th> <th>Redemption 1</th> <th>Redemption 2</th> <th>Redemption 3</th> </tr> </thead> <tbody> <tr> <td>Redeemed Units (A)</td> <td>10,000.00</td> <td>10,000.00</td> <td>10,000.00</td> </tr> <tr> <td>NAV per Unit on Subsequent Subscription Day (B)</td> <td>1.200</td> <td>1.200</td> <td>1.200</td> </tr> <tr> <td>NAV per Unit on the Redemption Day (C)</td> <td>1.230</td> <td>1.300</td> <td>1.360</td> </tr> <tr> <td>Total Redemption Amount (D=AxC)</td> <td>12,300.00</td> <td>13,000.00</td> <td>13,600.00</td> </tr> <tr> <td>Redemption Fee (E=Dx0.5%)</td> <td>61.50</td> <td>65.00</td> <td>68.00</td> </tr> <tr> <td>Applicable Back-end Subsequent Subscription Fee Rate (F)</td> <td>1.8%</td> <td>1.5%</td> <td>1.2%</td> </tr> <tr> <td>Back-end Subsequent Subscription Fee (G=AxBxF/ (1+F))</td> <td>212.18</td> <td>177.34</td> <td>142.29</td> </tr> <tr> <td>Redemption Amount (H=D-E-G)</td> <td>12,026.32</td> <td>12,757.66</td> <td>13,389.71</td> </tr> </tbody> </table>		Redemption 1	Redemption 2	Redemption 3	Redeemed Units (A)	10,000.00	10,000.00	10,000.00	NAV per Unit on Subsequent Subscription Day (B)	1.200	1.200	1.200	NAV per Unit on the Redemption Day (C)	1.230	1.300	1.360	Total Redemption Amount (D=AxC)	12,300.00	13,000.00	13,600.00	Redemption Fee (E=Dx0.5%)	61.50	65.00	68.00	Applicable Back-end Subsequent Subscription Fee Rate (F)	1.8%	1.5%	1.2%	Back-end Subsequent Subscription Fee (G=AxBxF/ (1+F))	212.18	177.34	142.29	Redemption Amount (H=D-E-G)	12,026.32	12,757.66	13,389.71	<p>Total Redemption amount = $10,000.00 \times 1.250 = 12,500.00$ Yuan</p> <p>Redemption fee = $12,500.00 \times 0.5\% = 62.50$ Yuan</p> <p>Redemption amount = $12,500.00 - 62.50 = 12,437.50$ Yuan</p> <p>.....</p> <p>Example 4: Assuming that the net asset value per unit on the day on which an investor makes Subsequent Subscription for the units is 1.200 Yuan and the investor chooses to pay back-end Subsequent Subscription fee, and respectively redeems 10,000 Class A Units after half a year, one and a half year and two and a half years; the net asset value per unit on the Redemption day is 1.230, 1.300 and 1.360 Yuan respectively. The redemption fee charged, back-end Subsequent Subscription fee and the Redemption amount obtained for each Redemption are calculated as follows:</p> <table border="1" data-bbox="981 772 1532 1736"> <thead> <tr> <th></th> <th>Redemption 1</th> <th>Redemption 2</th> <th>Redemption 3</th> </tr> </thead> <tbody> <tr> <td>Redeemed Units (A)</td> <td>10,000.00</td> <td>10,000.00</td> <td>10,000.00</td> </tr> <tr> <td>NAV per Unit on Subsequent Subscription Day (B)</td> <td>1.200</td> <td>1.200</td> <td>1.200</td> </tr> <tr> <td>NAV per Unit on the Redemption Day (C)</td> <td>1.230</td> <td>1.300</td> <td>1.360</td> </tr> <tr> <td>Total Redemption Amount (D=AxC)</td> <td>12,300.00</td> <td>13,000.00</td> <td>13,600.00</td> </tr> <tr> <td>Redemption Fee Rate (I)</td> <td>0.5%</td> <td>0.5%</td> <td>0.5%</td> </tr> <tr> <td>Redemption Fee (E=DxI)</td> <td>61.50</td> <td>65.00</td> <td>68.00</td> </tr> <tr> <td>Applicable Back-end Subsequent Subscription Fee Rate (F)</td> <td>1.8%</td> <td>1.5%</td> <td>1.2%</td> </tr> <tr> <td>Back-end Subsequent Subscription Fee (G=AxBxF/ (1+F))</td> <td>212.18</td> <td>177.34</td> <td>142.29</td> </tr> <tr> <td>Redemption Amount (H=D-E-G)</td> <td>12,026.32</td> <td>12,757.66</td> <td>13,389.71</td> </tr> </tbody> </table>		Redemption 1	Redemption 2	Redemption 3	Redeemed Units (A)	10,000.00	10,000.00	10,000.00	NAV per Unit on Subsequent Subscription Day (B)	1.200	1.200	1.200	NAV per Unit on the Redemption Day (C)	1.230	1.300	1.360	Total Redemption Amount (D=AxC)	12,300.00	13,000.00	13,600.00	Redemption Fee Rate (I)	0.5%	0.5%	0.5%	Redemption Fee (E=DxI)	61.50	65.00	68.00	Applicable Back-end Subsequent Subscription Fee Rate (F)	1.8%	1.5%	1.2%	Back-end Subsequent Subscription Fee (G=AxBxF/ (1+F))	212.18	177.34	142.29	Redemption Amount (H=D-E-G)	12,026.32	12,757.66	13,389.71
	Redemption 1	Redemption 2	Redemption 3																																																																												
Redeemed Units (A)	10,000.00	10,000.00	10,000.00																																																																												
NAV per Unit on Subsequent Subscription Day (B)	1.200	1.200	1.200																																																																												
NAV per Unit on the Redemption Day (C)	1.230	1.300	1.360																																																																												
Total Redemption Amount (D=AxC)	12,300.00	13,000.00	13,600.00																																																																												
Redemption Fee (E=Dx0.5%)	61.50	65.00	68.00																																																																												
Applicable Back-end Subsequent Subscription Fee Rate (F)	1.8%	1.5%	1.2%																																																																												
Back-end Subsequent Subscription Fee (G=AxBxF/ (1+F))	212.18	177.34	142.29																																																																												
Redemption Amount (H=D-E-G)	12,026.32	12,757.66	13,389.71																																																																												
	Redemption 1	Redemption 2	Redemption 3																																																																												
Redeemed Units (A)	10,000.00	10,000.00	10,000.00																																																																												
NAV per Unit on Subsequent Subscription Day (B)	1.200	1.200	1.200																																																																												
NAV per Unit on the Redemption Day (C)	1.230	1.300	1.360																																																																												
Total Redemption Amount (D=AxC)	12,300.00	13,000.00	13,600.00																																																																												
Redemption Fee Rate (I)	0.5%	0.5%	0.5%																																																																												
Redemption Fee (E=DxI)	61.50	65.00	68.00																																																																												
Applicable Back-end Subsequent Subscription Fee Rate (F)	1.8%	1.5%	1.2%																																																																												
Back-end Subsequent Subscription Fee (G=AxBxF/ (1+F))	212.18	177.34	142.29																																																																												
Redemption Amount (H=D-E-G)	12,026.32	12,757.66	13,389.71																																																																												
	<p>(XI) Determination and Procedures of Substantial</p>	<p>No point 4 on the right.</p>	<p>(4) If Substantial Redemption occurs in the Fund, in the case of Substantial Redemption application from a single Unitholder exceeding 20% of the total Fund Units, if the Fund Manager is of the view that it is difficult to pay all the investors' Redemption amount or that the realisation of</p>																																																																												

Appendix 1

<p>Redemption 2. Treatment of Substantial Redemption</p>			<p><i>assets from the payment of all the investors' Redemption amount may cause relatively significant fluctuations in the Net Asset Value of the Fund, the Fund Manager may defer the Redemption applications in two situations:</i></p> <p><i>① If the Fund Manager is of the view that it is capable of paying all Redemption applications of other investors, for the purpose of protecting the interests of other redemption investors, the Redemption applications for other investors shall be handled in accordance with normal procedures. For Substantial Redemption application from a single investor exceeding 20% of the total Fund Units, the Fund Manager shall, within the scope of the remaining payment capacity, determine the Redemption units accepted on the same day on a pro rata basis, and automatically defer the unconfirmed redemption part. The deferred Redemption applications shall be handled together with the Redemption applications on the next Business Day. The Redemption amount shall be calculated on the basis of the net value of the Fund Unit on the next Business Day with no priority for Redemption, and so on, until all units have been redeemed. If the investor chooses to withdraw the Redemption when submitting the Redemption application, the partial Redemption application that was not accepted on the same day shall be cancelled.</i></p> <p><i>② If the Fund Manager is of the view that there are difficulties with payment for only the Redemption applications of other investors, then all the investors' Redemption applications (including the Substantial Redemption applications from a single investor exceeding 20% of the total Fund Units and the Redemption applications of other investors) shall be handled in accordance with the above-mentioned "(2) Deferral of Redemption in part".</i></p>
<p>(XII) Rejection or Suspension of Subsequent Subscription and Suspension of Redemption or Deferral of Payment of Redemption Applications and the Relevant</p>		<p>1. The Fund Manager may reject or suspend the acceptance of investors' application for Subsequent Subscription in any of the following circumstances: (1) In case of force majeure; 2. The Fund Manager may suspend the acceptance of investors' application for Redemption in any of the following circumstances: (1) In case of force majeure;</p>	<p>1. The Fund Manager may reject or suspend the acceptance of investors' application for Subsequent Subscription in any of the following circumstances: (1) In case of force majeure; (7) <i>If, on the preceding Valuation Date, more than 50% of the Net Asset Value of the Fund was invested in assets the value of which could not be referenced to any active market price and the use of valuation techniques would still cause significant uncertainty to the fair value of those assets, the Fund Manager shall suspend applications for Subscription of the Fund after consultation and confirmation with the Fund Custodian;</i></p>

Appendix 1

	Treatment		<p>(8) When a Subsequent Subscription application or certain Subsequent Subscription applications may result in the Units held by a single investor reaching or exceeding 50% of the Fund's Net Asset Value, or disguised avoidance of 50% concentration;</p> <p>.....</p> <p>2. The Fund Manager may suspend the acceptance of investors' application for Redemption or defer the payment of Redemption applications in any of the following circumstances:</p> <p>(1) In case of force majeure;</p> <p>.....</p> <p>(3) If on the preceding Valuation Date, more than 50% of the Net Asset Value of the Fund was invested in assets the value of which could not be referenced to any active market price and the use of valuation techniques would still cause significant uncertainty to the fair value of those assets, the Fund Manager shall suspend the Redemption application of the Fund or defer the payment of Redemption proceeds after consultation and confirmation with the Fund Custodian;</p> <p>.....</p>
X. Investments of Fund	(VII) Investment Portfolios	<p>The Fund's investment portfolios shall meet the following requirements:</p> <p>1. The investment in stocks and bonds made by the Fund shall not be less than 80% of the Total Asset Value of the Fund;</p> <p>.....</p> <p>15. Notwithstanding the foregoing, the investment portfolio may go beyond the above-mentioned restrictions due to the fund size or market fluctuations, provided that the Fund Manager shall adjust the investment portfolio within reasonable period so as to meet the said standards. If the Fund's portfolio does not comply with provisions 4, 5, 9 and 11 due to factors not attributable to the Fund Manager such as securities market fluctuation, change in fund size and payment of consideration for reform of shareholder structure, the Fund Manager shall make the necessary adjustments within ten trading days. If, during the Fund's holding of the asset-backed securities, the credit rating thereof downgrades and no longer complies with the investment standards, all asset-backed securities shall be sold within 3 months from the publication date of the rating report.</p>	<p>The Fund's investment portfolios shall meet the following requirements:</p> <p>1. The investment in stocks and bonds made by the Fund shall not be less than 80% of the Total Asset Value of the Fund;</p> <p>.....</p> <p>15. At the end of each trading day, cash and government bonds with maturity less than one year should not be less than 5% of the Net Asset Value of the Fund. The term "cash" does not include Deposit Reservation for Balances, Guarantee Deposit and Margin Paid, Subsequent Subscription Fee Receivable, etc.;</p> <p>16. All open-ended funds managed by the Fund Manager holding tradable shares issued by a listed company must not hold more than 15% of the tradable shares of such listed company;</p> <p>17. All portfolios managed by the Fund Manager holding tradable shares issued by a listed company must not hold more than 30% of the tradable shares of such listed company;</p> <p>18. The total market value of the Fund's active investment in Liquidity Restricted Assets must not exceed 15% of the Net Asset Value of the Fund. Where the Fund becomes non-compliant with this restriction due to factors that are out of the Fund Manager's control such as</p>

Appendix 1

			<p><i>fluctuations in the securities market, suspension of securities of listed companies and changes in fund sizes, the Fund Manager shall not actively increase the Fund's investment in the Liquidity Restricted Assets;</i></p> <p><i>19. If the Fund carries out reverse repurchase transactions with private securities asset management products and other entities recognized by the CSRC as transaction counterparties, the quality of the collateral received shall be consistent with the scope of investment agreed in the Fund Contract;</i></p> <p><i>20. Notwithstanding the foregoing, the investment portfolio may go beyond the above-mentioned restrictions due to the fund size or market fluctuations, provided that the Fund Manager shall adjust the investment portfolio within reasonable period so as to meet the said standards. If the Fund's portfolio does not comply with provisions 4, 5, 9, 11, 16 and 17 due to factors not attributable to the Fund Manager such as securities market fluctuation, change in fund size and payment of consideration for reform of shareholder structure, the Fund Manager shall make the necessary adjustments within ten trading days. If, during the Fund's holding of the asset-backed securities, the credit rating thereof downgrades and no longer complies with the investment standards, all asset-backed securities shall be sold within 3 months from the publication date of the rating report.</i></p>
XIII. Valuation of Assets of the Fund	(IV) Valuation methods	No point 4 on the right.	<i>4. When there is a Substantial Subsequent Subscription or Redemption, the Fund Manager may adopt a Swing Pricing Mechanism to ensure the fairness of valuation of the Fund.</i>
	(VI) Circumstances of Suspending Announcement of Net Value and Suspending the Valuation of the Fund	No point 3 on the right.	<i>3. If, on the preceding Valuation Date, more than 50% of the Net Asset Value of the Fund was invested in assets the value of which could not be referenced to any active market price and the use of valuation techniques still cause significant uncertainty to the fair value of those assets, the Fund Manager shall suspend the valuation of the Fund after consultation and confirmation with the Fund Custodian.</i>
XVII. Information Disclosure of the Fund	(6) Periodic Reports	No point 4 on the right.	<p><i>4. The Fund Manager shall disclose the portfolio assets of the Fund and the liquidity risk analysis in the Fund's annual report and semi-annual report.</i></p> <p><i>If a single investor holds Fund Units reaching or exceeding 20% of the total Fund Units during the reporting period, for the purpose of protecting the rights and interests of other investors, the Fund Manager shall at a minimum disclose the category of the investor, the amount and proportion of Fund</i></p>

Appendix 1

			<p><i>Units held at the end of the reporting period, the changes in the number of Units held during the reporting period, and the risks specific to the products in the section “Other Important Information Affecting Investors’ Decision-making” in the periodic reports of the Fund, except for the special circumstances recognized by the CSRC.</i></p>
	(8) Extraordinary Announcement	No points 24 and 25 on the right.	<p>24. Occurrence of major events involving the adjustment to the Subscription and Redemption of the Fund or potential impact on Redemption of investors;</p> <p>25. The Fund Manager adopts a Swing Pricing Mechanism to carry out valuation;</p>
XVIII. Risk Factors	(I) Principal Risks of Investing in the Fund 3. Liquidity risk	<p>It refers to the risk that the assets of the Fund cannot be realised into cash in a rapid manner, or possible Substantial Redemption requests from investors cannot be met.</p> <p>Substantial Redemption may occur during the trading of open-end funds. The Substantial Redemption may result in the difficulties in adjusting the position of the Fund, resulting in liquidity risk and even affecting the Net Asset Value per Unit.</p>	<p>It refers to the risk that the assets of the Fund cannot be realised into cash in a rapid manner, or possible Substantial Redemption requests from investors cannot be met.</p> <p>Substantial Redemption may occur during the trading of open-end funds. The Substantial Redemption may result in the difficulties in adjusting the position of the Fund, resulting in liquidity risk and even affecting the Net Asset Value per Unit.</p> <p><i>When there is liquidity risk, the Fund Manager may comprehensively use alternative liquidity risk management tools to mitigate or cope with the liquidity risk of the Fund. Investors may face such risks as deferral of handling Substantial Redemption applications, suspension of accepting Redemption applications, deferral of paying the Redemption amount, charging short-term Redemption fees, suspension of valuation of the Fund, and adoption of swing pricing of the Fund. Investors should understand their liquidity preferences and assess whether they match the liquidity risk of the Fund.</i></p> <p><i>(1) Subsequent Subscription and Redemption Arrangements of the Fund</i></p> <p><i>For details, please refer to “XIII. Subsequent Subscription and Redemption of Funds” in the Fund Contract and “VIII. Subsequent Subscription, Redemption and Switching of Units” in the Prospectus to learn more about the Subsequent Subscription and Redemption arrangements of the Fund.</i></p> <p><i>(2) Liquidity risk assessment of the proposed investment market, industry and assets</i></p> <p><i>The main investment targets of the Fund are financial instruments with good liquidity, including shares that are publicly offered in accordance with domestic laws and bonds and other financial instruments allowed by the CSRC to invest by the Fund. Under normal circumstances, the asset class that the Fund proposes to invest in has good liquidity.</i></p>

			<p>However, the Fund may still have insufficient liquidity in a special market environment. The Fund Manager shall formulate the upper and lower limit plans for the amount of cash holdings based on its historical experience and realistic conditions, and control the cash ratios or convert cash and securities within the limits. Meanwhile, the Fund Manager shall carry out decentralized investment in the targets and rationally allocate assets in combination with the expected liquidity of various underlying assets to prevent liquidity risks.</p> <p>(3) <i>Liquidity risk management measures under Substantial Redemptions</i></p> <p>In case of Subscription Redemptions of the Fund, the Fund Manager may adopt the following liquidity risk management measures:</p> <ul style="list-style-type: none"> ① Deferral of handling Substantial Redemption applications; ② Suspension of accepting Redemption applications; ③ Deferral of paying the Redemption amount; ④ Swing pricing; ⑤ Other measures recognized by CSRC. <p>(4) <i>Situations, procedures, and potential impact on investors for implementing alternative liquidity risk management tools</i></p> <p>After negotiating with the Fund Custodian, the Fund Manager may, on the premise of ensuring fair treatment of investors, comprehensively use various types of liquidity risk management tools to make appropriate adjustments to the Redemption applications in accordance with laws, regulations and the Fund Contract, as an aid to the liquidity risk management of the Fund Manager under specific circumstances, including but not limited to:</p> <ul style="list-style-type: none"> ① Deferral of handling Substantial Redemption applications <p>In case of Substantial Redemption of the Fund, the Fund Manager may decide whether to redeem in full amount or defer to redeem in part based on the current asset portfolio of the Fund.</p> <p>In this case, all or part of the investors' Redemption application may be deferred, while the net value of the Units when the investor completes the Redemption of the Fund may be different from the net value of the Units when the Redemption application is submitted.</p> <ul style="list-style-type: none"> ② Suspension of accepting Redemption applications
--	--	--	--

			<p><i>For details, please refer to “(VIII) Determination and Procedures of Substantial Redemption” and “(IX) Rejection or Suspension of Subsequent Subscription and Suspension of Redemption or Deferral of Payment of Redemption Amount and the Relevant Treatment” in XIII. Subsequent Subscription and Redemption of the Fund” in the Fund Contract, to learn more about the circumstances and procedures for suspension of accepting the Redemption applications of the Fund.</i></p> <p><i>In this case, part or all of the Redemption applications of the investor may be rejected, while the net value of the Units when the investor completes the Redemption may be different from the net value of the Units when the Redemption application is submitted.</i></p> <p>③ Deferral of paying the Redemption amount</p> <p><i>For details, please refer to “(VIII) Determination and Procedures of Substantial Redemption” and “(IX) Rejection or Suspension of Subsequent Subscription and Suspension of Redemption or Deferral of Payment of Redemption Amount and the Relevant Treatment” in XIII. Subsequent Subscription and Redemption of the Fund” in the Fund Contract, to learn more about the circumstances and procedures for deferral of payment of Redemption amount of the Fund.</i></p> <p><i>In this case, the time for the investors to receive the Redemption amount may be deferred compared to the normal situation.</i></p> <p>④ Collection of short-term Redemption fees</p> <p><i>The Fund shall charge a Redemption fee of not less than 1.5% for investors who have a holding period of less than 7 days consecutively, and shall credit the full amount of the above Redemption fees to the assets of the Fund.</i></p> <p>⑤ Suspension of valuation of the Fund</p> <p><i>For details, please refer to “(VI) Circumstances of Suspending Announcement of Net Value and Suspending Valuation of the Fund” in “XXI. Valuation of Assets of the Fund” in the Fund Contract, to learn more about the circumstances and procedures for the suspension of valuation of the Fund.</i></p> <p><i>In this case, investors have no reference to the net value of the Units, and the Subsequent Subscription and Redemption application of the Fund may be suspended.</i></p> <p>⑥ Swing pricing</p> <p><i>In case of Substantial Subsequent Subscription or Redemption of the Fund, the Fund Manager may adopt the</i></p>
--	--	--	--

Appendix 1

			<p><i>Swing Pricing Mechanism to ensure the fairness of the valuation of the Fund.</i></p> <p><i>When swing pricing is adopted for the Fund, the net value of the Units when investors acquire or redeem the Units shall be adjusted according to the market impact cost of the investment portfolio, so that the market impact cost can be allocated to the investors who actually make Subsequent Subscription and Redemption, thereby reducing the negative impact on the interests of the Unitholders to ensure that the legitimate rights and interests of investors are not compromised and are treated fairly.</i></p> <p>⑦ <i>Other measures recognized by the CSRC.</i></p>
--	--	--	--

Appendix 2

Comparison table for supplementary revisions of ChinaAMC Xinghua Mixed Securities Investment Fund Prospectus (Update), the revised contents are marked in **bold italic**:

Sections	Title	Current provisions	Proposed provisions after amendment
I. Preface	First paragraph	<i>The Prospectus of ChinaAMC Xinghua Mixed Securities Investment Fund (Updated)</i> (hereinafter referred to as the "Prospectus"), is prepared pursuant to the <i>Securities Investment Fund Law of the People's Republic of China</i> (hereinafter referred to as the "Funds Law"), the <i>Administrative Measures on Sales of Securities Investment Funds</i> (hereinafter referred to as the "Measures on Sales"), the <i>Administrative Measures on the Operation of Publicly Offered Securities Investment Funds</i> (hereinafter referred to as the "Measures on Operation"), the <i>Administrative Measures on Information Disclosure of Securities Investment Funds</i> (hereinafter referred to as the "Measures on Information Disclosure") and other relevant Laws and Regulations and the <i>Fund Contract of ChinaAMC Xinghua Mixed Securities Investment Fund</i> (hereinafter referred to as the "Fund Contract").	<i>The Prospectus of ChinaAMC Xinghua Mixed Securities Investment Fund (Updated)</i> (hereinafter referred to as the "Prospectus"), is prepared pursuant to the <i>Securities Investment Fund Law of the People's Republic of China</i> (hereinafter referred to as the "Funds Law"), the <i>Administrative Measures on Sales of Securities Investment Funds</i> (hereinafter referred to as the "Measures on Sales"), the <i>Administrative Measures on the Operation of Publicly Offered Securities Investment Funds</i> (hereinafter referred to as the "Measures on Operation"), the <i>Administrative Measures on Information Disclosure of Securities Investment Funds</i> (hereinafter referred to as the "Measures on Information Disclosure"), <i>the Regulations on the Management of Liquidity Risk of Publicly Offered Open-end Securities Investment Funds (hereinafter referred to as the "Liquidity Risk Management Regulations")</i> , and other relevant Laws and Regulations and the <i>Fund Contract of ChinaAMC Xinghua Mixed Securities Investment Fund</i> (hereinafter referred to as the "Fund Contract").
II. Definitions		No definitions of <i>Liquidity Risk Management Regulations</i> , <i>Liquidity Restricted Assets</i> and <i>Swing Pricing Mechanism</i> .	<i>Liquidity Risk Management Regulations: The Regulations on the Management of Liquidity Risk of Publicly Offered Open-end Securities Investment Funds promulgated by the China Securities Regulatory Commission on 31 August 2017 and implemented on 1 October of the same year, and its revisions made by the issuing authorities from time to time.</i> <i>Liquidity Restricted Assets: The assets that cannot be realized at reasonable prices due to laws and regulations, supervision, contracts or operational obstacles, including but not limited to reverse repurchases and bank term deposits with maturity dates of more than 10 trading days (including the bank deposits with conditions agreed to be withdrawn in advance under agreement), suspended shares, new shares with circulation restriction, shares that are not publicly offered, asset-backed securities, bonds that cannot be transferred or traded due to default of the issuer, etc.</i> <i>Swing Pricing Mechanism: The mechanism that when the open-end Fund is subject to Substantial Subscription and Redemption, the cost of market impact from adjustment to the investment portfolio of the Fund will be allocated to the investors who actually make Subsequent Subscription and Redemption by adjusting the Net Value of the Fund Unit, thereby reducing the adverse impact of the interests of Unitholders for the purpose of ensuring that the legitimate rights and interests of investors are not compromised and are treated fairly.</i>

Appendix 2

<p>IX. Subsequent Subscription and Redemption of Units</p>	<p>(V) Limitation on Subsequent Subscription Amount and Redemption Unit</p>	<p>No point 3 as shown on the right.</p>	<p>3. Where a Subsequent Subscription application may pose a potentially significant adverse impact on the interests of existing Unitholders, the Fund Manager shall set a limit for a single investor's Subsequent Subscription amount or a single day's net Subsequent Subscription ratio for the Fund, reject the substantial Subsequent Subscription amount, suspend Subsequent Subscriptions for the Fund or adopt such other measures, in order to effectively protect the legitimate rights and interests of existing Unitholders. Please refer to the relevant announcements for details.</p>														
<p>Subsequent Subscription fee and Redemption fee Point 2 related to Redemption fee</p>	<p>(VII)</p>	<p>2. The Redemption fees of Class A Units of the Fund shall be borne by the redeeming applicants and charged upon Redemption of the units. 25% of the total Redemption amount charged shall be deducted in accordance with the relevant laws and included in the assets of the Fund, and the remaining amount shall cover various fees, such as the registration and clearing fees and sales handling fees. The Redemption fee rates are shown as follows:</p> <table border="1" data-bbox="469 958 847 1137"> <thead> <tr> <th>Holding Period*</th> <th>Redemption Fee Rate</th> </tr> </thead> <tbody> <tr> <td>Less than 1 Year</td> <td>0.5%</td> </tr> <tr> <td>More than 1 year</td> <td>0</td> </tr> </tbody> </table>	Holding Period*	Redemption Fee Rate	Less than 1 Year	0.5%	More than 1 year	0	<p>2. The Redemption fees of Class A Units of the Fund shall be borne by the redeeming applicants and charged upon Redemption of the units. If the Units at the time of Redemption have been held less than 7 days, the full amount of the charged Redemption fee shall be credited to the assets of the Fund. For Redemption fee charged on Units held for more than 7 days (inclusive) at the time of Redemption, 25% of the total Redemption amount charged shall be deducted in accordance with the relevant laws and included in the assets of the Fund, and the remaining amount shall cover various fees, such as the registration and clearing fees and sales handling fees. The Redemption fee rates are shown as follows:</p> <p>The Redemption fee rates of Class A Units are as follows:</p> <table border="1" data-bbox="956 1126 1535 1346"> <thead> <tr> <th>Holding Period</th> <th>Redemption Fee Rate</th> </tr> </thead> <tbody> <tr> <td>Within 7 days</td> <td>1.5%</td> </tr> <tr> <td>7 days (inclusive) -Less than 1 Year</td> <td>0.50%</td> </tr> <tr> <td>More than 1 year</td> <td>0</td> </tr> </tbody> </table>	Holding Period	Redemption Fee Rate	Within 7 days	1.5%	7 days (inclusive) -Less than 1 Year	0.50%	More than 1 year	0
Holding Period*	Redemption Fee Rate																
Less than 1 Year	0.5%																
More than 1 year	0																
Holding Period	Redemption Fee Rate																
Within 7 days	1.5%																
7 days (inclusive) -Less than 1 Year	0.50%																
More than 1 year	0																
<p>Subsequent Subscription fee and Redemption fee</p>	<p>(VII)</p>	<p>No point 5 as shown on the right.</p>	<p>5. When there is a substantial Subsequent Subscription or Redemption, the Fund Manager may adopt a Swing Pricing Mechanism to ensure the fairness of the valuation of the Fund. The specific principles and operating rules are in compliance with the relevant laws, regulations and provisions of regulatory authorities, as well as the relevant self-regulatory rules.</p>														

Appendix 2

<p>(IX) Rejection or Suspension of Subsequent Subscription</p>	<p>The Fund Manager may reject or suspend the acceptance of investors' application for Subsequent Subscription in any of the following circumstances: 3. There occurs any event which shall cause the suspension of Valuation of Fund Assets according to the Fund Contract.</p>	<p>The Fund Manager may reject or suspend the acceptance of investors' application for Subsequent Subscription in any of the following circumstances: 3. There occurs any event which shall cause the suspension of Valuation of Fund Assets according to the Fund Contract. <i>If, on the preceding Valuation Date, more than 50% of the Net Asset Value of the Fund was invested in assets the value of which could not be referenced to any active market price and the use of valuation techniques would still cause significant uncertainty to the fair value of those assets, the Fund Manager shall suspend applications for Subscription of the Fund after consultation and confirmation with the Fund Custodian.</i> <i>9. When a Subsequent Subscription application or certain Subsequent Subscription applications may result in the Units held by a single investor reaching or exceeding 50% of the Fund's Net Asset Value, or disguised avoidance of 50% concentration.</i></p>
<p>(X) Suspension of Redemption or Deferral of Redemption Payments</p>	<p>The Fund Manager may suspend the acceptance of Investors' applications for Redemption or defer payment of the Redemption monies in any of the following circumstances: 4. There occurs any event which shall cause the suspension of Valuation of Fund Assets according to the Fund Contract.</p>	<p>The Fund Manager may suspend the acceptance of Investors' applications for Redemption or defer payment of the Redemption monies in any of the following circumstances: 4. There occurs any event which shall cause the suspension of Valuation of Fund Assets according to the Fund Contract. <i>If, on the preceding Valuation Date, more than 50% of the Net Asset Value of the Fund was invested in assets the value of which could not be referenced to an active market price and the use of valuation techniques would still cause significant uncertainty to the fair value of those assets, , the Fund Manager shall suspend the Redemption application of the Fund or defer the payment of Redemption proceeds after consultation and confirmation with the Fund Custodian.</i></p>
<p>(XI) Situation and Treatment of Substantial Redemption 2. Treatment of Substantial Redemption</p>	<p>No point 4 as shown on the right.</p>	<p><i>(4) If Substantial Redemption occurs in the Fund, in the case of Substantial Redemption applications from a single Unitholder exceeding 20% of the total Fund Units, if the Fund Manager is of the view that it is difficult to pay all the investors' Redemption amount or that the realisation of assets from the payment of all the investors' Redemption amount may cause relatively significant fluctuations in the Net Asset Value of the Fund, the Fund Manager may defer the Redemption applications in two situations:</i></p>

Appendix 2

			<p>① <i>If the Fund Manager is of the view that it is capable of paying all Redemption applications of other investors, for the purpose of protecting the interests of other redemption investors, the Redemption applications for other investors shall be handled in accordance with normal procedures. For Substantial Redemption applications from a single investor exceeding 20% of the total Fund Units, the Fund Manager shall, within the scope of the remaining payment capacity, determine the Redemption units accepted on the same day on a pro rata basis, and automatically defer the unconfirmed redemption part. The deferred Redemption applications shall be handled together with the Redemption applications on the next Business Day. The Redemption amount shall be calculated on the basis of the net value of the Fund Unit on the next Business Day with no priority for Redemption, and so on, until all units have been redeemed. If the investor chooses to withdraw the Redemption when submitting the Redemption application, the partial Redemption application that was not accepted on the same day shall be cancelled.</i></p> <p>② <i>If the Fund Manager is of the view that there are difficulties with payment for only the Redemption applications of other investors, then all the investors' Redemption applications (including the Substantial Redemption applications from a single investor exceeding 20% of the total Fund Units by and the Redemption applications of other investors) shall be handled in accordance with the above-mentioned "(2) Deferral of Redemption in part".</i></p>
<p>X. Investments of the Fund</p>	<p>(VII) Investment Restrictions 1. Restrictions on Portfolio</p>	<p>The portfolio of the Fund is subject to the following restrictions: (20) At the end of each trading day, the amount of cash or government bonds with maturity date within one year, after deducting the trading margin payable for the stock index futures, shall not be less than 5% of the Net Asset Value of the Fund. (21) When the Fund holds any single private placement bond issued by a small and medium sized enterprise, the market value of this bond shall not exceed 10% of Net Asset Value of the Fund. (22) In the case the Fund invests in any new products permitted to be invested by the Fund according to the Laws and Regulations and the CSRC, the relevant ratio shall be determined according to the relevant provisions of the Fund Contract and the regulatory authorities. (23) Other ratio limits stipulated by the Laws and Regulations and the Fund Contract.</p>	<p>The portfolio of the Fund is subject to the following restrictions: (20) At the end of each trading day, cash and government bonds with maturity less than one year should not be less than 5% of the Net Asset Value of the Fund. <i>The term "cash" does not include Deposit Reservation for Balances, Guarantee Deposit and Margin Paid, Subsequent Subscription Fees Receivable, etc.</i> (21) When the Fund holds any single private placement bond issued by a small and medium sized enterprise, the market value of this bond shall not exceed 10% of Net Asset Value of the Fund. (22) <i>All open-ended funds managed by the Fund Manager holding tradable shares issued by a listed company must not hold more than 15% of the tradable shares of such listed company.</i> (23) <i>All portfolios managed by the Fund Manager holding tradable shares issued by a listed company must not hold more than 30% of the tradable shares of such listed company.</i></p>

Appendix 2

		<p>Before the Fund invests in the stock index futures, the account opening, clearing, valuation, settlement and other matters of the stock index futures shall be separately agreed with the Fund Custodian.</p> <p>If the relevant Laws and Regulations revise the limit of the portfolio ratio agreed in the Fund Contract, the revised ratio limit shall apply. If the Laws and Regulations or the regulatory authorities cancel the above-mentioned limits and such cancellation is applicable to the Fund, the investment of the Fund shall not be limited accordingly. The Fund Manager shall, within 6 months as from the Effective Date of Fund Contract, ensure the portfolio ratio of the Fund complies with the relevant agreement in the Fund Contract. The Fund Custodian shall as from the Effective Date of Fund Contract, commence the supervision and review on the investments of the Fund. If the investment ratio of the Fund fails to meet the investment ratio required above due to the factors not related to the Fund Manager, such as the fluctuation of securities market, the merger of listed companies, the change in fund size, the consideration payment arising from the shareholding structure reform, the Fund Manager shall make adjustment within 10 trading days.</p>	<p><i>(24) The total market value of the Fund's active investment in Liquidity Restricted Assets must not exceed 15% of the Net Asset Value of the Fund. Where the Fund becomes non-compliant with this restriction due to factors that are out of the Fund Manager's control such as fluctuations in the securities market, suspension of securities of listed companies and changes in fund sizes, the Fund Manager shall not actively increase the Fund's investment in the Liquidity Restricted Assets.</i></p> <p><i>(25) If the Fund carries out reverse repurchase transactions with private securities asset management products and other entities recognized by the CSRC as transaction counterparties, the quality of the collateral received shall be consistent with the scope of investment agreed in the Fund Contract.</i></p> <p><i>(26) In the case the Fund invests in any new products permitted to be invested by the Fund according to the Laws and Regulations and the CSRC, the relevant ratio shall be determined according to the relevant provisions of the Fund Contract and the regulatory authorities.</i></p> <p><i>(27) Other ratio limits stipulated by the Laws and Regulations and the Fund Contract.</i></p> <p>Before the Fund invests in the stock index futures, the account opening, clearing, valuation, settlement and other matters of the stock index futures shall be separately agreed with the Fund Custodian.</p> <p>If the relevant Laws and Regulations revise the limit of the portfolio ratio agreed in the Fund Contract, the revised ratio limit shall apply. If the Laws and Regulations or the regulatory authorities cancel the above-mentioned limits and such cancellation is applicable to the Fund, the investment of the Fund shall not be limited accordingly. The Fund Manager shall, within 6 months as from the Effective Date of Fund Contract, ensure the portfolio ratio of the Fund complies with the relevant agreement in the Fund Contract. The Fund Custodian shall as from the Effective Date of Fund Contract, commence the supervision and review on the investments of the Fund. If the investment ratio of the Fund fails to meet the investment ratio required above due to the factors not related to the Fund Manager, such as the fluctuation of securities market, the merger of listed companies, the change in fund size, the consideration payment arising from the shareholding structure reform, except for Articles (11), (20), (24) and (25), the Fund Manager shall make adjustment within 10 trading days.</p>
<p>XIII. Valuation of</p>	<p>(II) Valuation Methods</p>	<p>No point 8 as shown on the right.</p>	<p>8. When there is a Substantial Subsequent Subscription or Redemption, the Fund Manager may adopt a Swing Pricing</p>

Appendix 2

the Assets			<i>Mechanism to ensure the fairness of valuation of the Fund.</i>
of the Fund	(VI) Circumstances of Suspending Valuation	No point 4 as shown on the right.	4. If, on the preceding Valuation Date, more than 50% of the Net Asset Value of the Fund was invested in assets the value of which could not be referenced to any active market price and the use of valuation techniques would still cause significant uncertainty to the fair value of those assets, the Fund Manager shall suspend the valuation of the Fund after consultation and confirmation with the Fund Custodian.
XVII. Information Disclosure of the Fund	(VII) Annual Reports, Semi-annual Reports and Quarterly Reports of the Fund	No point 6 as shown on the right.	6. The Fund Manager shall disclose the portfolio assets of the Fund and the liquidity risk analysis in the Fund's annual report and semi-annual report. <i>If a single investor holds Fund Units reaching or exceeding 20% of the total Fund Units during the Reporting Period, for the purpose of protecting the rights and interests of other investors, the Fund Manager shall at a minimum disclose the category of the investor, the amount and proportion of Fund Units held as at the end of the Reporting Period, the changes in the number of Units held during the reporting period, and the risks specific to the products in the section "other important information affecting investors' decision-making" in the periodic reports of the Fund, except for the special circumstances recognized by the CSRC.</i>
	(VIII) Interim Reports and Notice	No point 24 and point 25 as shown on the right.	24. Occurrence of major events involving the adjustment to the Subscription and Redemption of the Fund or potential impact on Redemption of investors. 25. The Fund Manager adopts a Swing Pricing Mechanism to carry out valuation.
XVIII. Risk Factors	(I) Principal Risks of Investing in the Fund 2. Liquidity risk	In the event of illiquidity of the market or individual stocks, the Fund Manager may be unable to adjust the Fund's investment portfolio in a rapid and low cost manner, which may adversely affect the Fund Income. Considering the special requirements regarding open-end funds, the Fund must keep a certain proportion of its assets in cash to meet the Redemption requests. In terms of cash position management, there may be the risk of cash shortage or decrease in the Fund income due to excessive cash.	In the event of illiquidity of the market or individual stocks, the Fund Manager may be unable to adjust the Fund's investment portfolio in a rapid and low cost manner, which may adversely affect the Fund Income. Considering the special requirements regarding open-end funds, the Fund must keep a certain proportion of its assets in cash to meet the Redemption requests. In terms of cash position management, there may be the risk of cash shortage or decrease in the Fund income due to excessive cash. When there is any liquidity risk, the Fund Manager may comprehensively use alternative liquidity risk management tools to mitigate or cope with the liquidity risk of the Fund. Investors may face such risks as deferral of handling of Substantial Redemption applications, suspension of acceptance of Redemption applications, deferral of payment of the Redemption amount, charging short-term Redemption fees, suspension of valuation of the Fund, and adoption of swing pricing of the Fund.

			<p><i>Investors should understand their liquidity preferences and assess whether they match the liquidity risk of the Fund.</i></p> <p><i>(1) Subsequent Subscription and Redemption Arrangements of the Fund</i></p> <p><i>For details, please refer to “VI. Subsequent Subscription and Redemption of Units” in the Fund Contract and “IX. Subsequent Subscription and Redemption Units” in the Prospectus to learn more about the Subsequent Subscription and Redemption arrangements of the Fund.</i></p> <p><i>(2) Liquidity risk assessment of the proposed investment market, industry and assets</i></p> <p><i>The main investment targets of the Fund are financial instruments with good liquidity, including stocks that are publicly offered in accordance with domestic laws (including ChiNext and small and medium enterprise stocks), bonds (including small and medium enterprise private placement bonds), money market instruments, warrants, asset-backed securities and stock index futures. Under normal circumstances, the asset class that the Fund proposes to invest in has good liquidity. However, the Fund may still have insufficient liquidity in a special market environment. The Fund Manager shall formulate the upper and lower limit plans for the amount of cash holdings based on its historical experience and realistic conditions, and control the cash ratios or convert cash and securities within the limits. Meanwhile, the Fund Manager shall carry out decentralized investment in the targets and rationally allocate assets in combination with the expected liquidity of various underlying assets to prevent liquidity risks.</i></p> <p><i>(3) Liquidity risk management measures under Substantial Redemptions</i></p> <p><i>In case of Subscription Redemptions of the Fund, the Fund Manager may adopt the following liquidity risk management measures:</i></p> <ul style="list-style-type: none"> <i>① Deferral of handling of Substantial Redemption applications;</i> <i>② Suspension of acceptance of Redemption applications;</i> <i>③ Deferral of payment of the Redemption amount;</i> <i>④ Swing pricing;</i> <i>⑤ Other measures recognized by CSRC.</i> <p><i>(4) Situations, procedures, and potential impact on investors for implementing alternative liquidity risk management tools</i></p> <p><i>After negotiating with the Fund Custodian, the Fund Manager may, on the premise of ensuring fair treatment of</i></p>
--	--	--	--

			<p>investors, comprehensively use various types of liquidity risk management tools to make appropriate adjustments to the Redemption applications in accordance with laws, regulations and the Fund Contract, as an aid to the liquidity risk management of the Fund Manager under specific circumstances, including but not limited to:</p> <p>① <i>Deferral of handling of Substantial Redemption applications</i></p> <p><i>In case of Substantial Redemption of the Fund, the Fund Manager may decide whether to redeem in full amount or defer to redeem in part based on the current asset portfolio of the Fund.</i></p> <p><i>In this case, all or part of the investors' Redemption application may be deferred, while the net value of the Units when the investor completes the Redemption of the Fund may be different from the net value of the Units when the Redemption application is submitted.</i></p> <p>② <i>Suspension of acceptance of Redemption applications</i></p> <p><i>For details, please refer to "(IX) Suspension of Redemption or Deferral of Redemption Payments" and "(X) Situation and Treatment of Substantial Redemption" in VI. Subsequent Subscription and Redemption of the Units" in the Fund Contract, to learn more about the circumstances and procedures for suspension of acceptance of the Redemption application of the Fund.</i></p> <p><i>In this case, part or all of the Redemption applications of the investor may be rejected, while the net value of the Units when the investor completes the Redemption may be different from the net value of the Units when the Redemption application is submitted.</i></p> <p>③ <i>Deferral of payment of the Redemption amount</i></p> <p><i>For details, please refer to "(IX) Suspension of Redemption or Deferral of Redemption Payments" and "(X) Situation and Treatment of Substantial Redemption" in VI. Subsequent Subscription and Redemption of the Units" in the Fund Contract, to learn more about the circumstances and procedures for deferral of payment of Redemption amount of the Fund.</i></p> <p><i>In this case, the time for the investor to receive the Redemption amount may be deferred compared to the normal situation.</i></p> <p>④ <i>Charge of short-term Redemption fees</i></p> <p><i>The Fund shall charge a Redemption fee of not less than 1.5% for investors who have a holding period of less than 7 days consecutively, and shall credit the full amount of the above</i></p>
--	--	--	--

			<p><i>Redemption fees to the assets of the Fund.</i></p> <p>Ⓢ Suspension of valuation of the Fund</p> <p><i>For details, please refer to “(VI) Circumstances of Suspending Valuation” in “XIII. Valuation of the Assets of the Fund” in the Fund Contract, to learn more about the circumstances and procedures for the suspension of valuation of the Fund.</i></p> <p><i>In this case, investors have no reference to the net value of the Units, and the Subsequent Subscription and Redemption application of the Fund may be suspended.</i></p> <p>Ⓢ Swing pricing</p> <p><i>In case of Substantial Subsequent Subscription or Redemption of the Fund, the Fund Manager may adopt the Swing Pricing Mechanism to ensure the fairness of the valuation of the Fund.</i></p> <p><i>When swing pricing is adopted for the Fund, the net value of the Units when investors acquire or redeem the Units shall be adjusted according to the market impact cost of the investment portfolio, so that the market impact cost can be allocated to the investors who actually make Subsequent Subscription and Redemption, thereby reducing the negative impact on the interests of the Unitholders to ensure that the legitimate rights and interests of investors are not compromised and are treated fairly.</i></p> <p>Ⓢ Other measures recognized by the CSRC.</p>
--	--	--	---