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ChinaAMC Global ETF Series

*(a Hong Kong umbrella unit trust authorised under
Section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong)*

ChinaAMC Bloomberg Barclays China Treasury + Policy Bank Bond Index ETF

RMB counter Stock Code: 82813

HKD counter Stock Code: 02813

ChinaAMC Hang Seng Hong Kong Biotech Index ETF

Stock Code: 03069

(Each a “Sub-Fund”, collectively the “Sub-Funds”)

Announcement

Addition of USD Counter and Clarification of Investment Strategy

The Manager of the Sub-Funds, China Asset Management (Hong Kong) Limited (the “**Manager**”) hereby announces certain changes to the Sub-Funds as described in this Announcement.

(1) Addition of USD Counter

Currently, the Units of ChinaAMC Hang Seng Hong Kong Biotech Index ETF (the “**Biotech ETF**”) are denominated in Hong Kong dollars (“**HKD**”) and traded in HKD and the Units of ChinaAMC Bloomberg Barclays China Treasury + Policy Bank Bond Index ETF (the “**Bond ETF**”) are denominated in Renminbi (“**RMB**”) and traded in RMB and HKD.

The Sub-Funds have been granted approval by The Stock Exchange of Hong Kong Limited (the “**SEHK**”) for the Units of each Sub-Fund to be available for trading on the SEHK and deposit, clearing and settlement in the Central Clearing and Settlement System (“**CCASS**”)

under a dual-counter/multi-counter arrangement with the addition of a USD counter from 30 June 2021 (the “**Effective Date**”) onwards. As such, from the Effective Date, Units of the Biotech ETF will be traded on the SEHK in HKD and USD and Units of the Bond ETF will be traded on the SEHK in RMB, HKD and USD.

A. Dual-counter/multi-counter model

Investors should note that Units are denominated in the Base Currency of each Sub-Fund and the creation of new Units and redemption of Units in the primary market are settled in the Base Currency. By virtue of the dual-counter/multi-counter arrangement, the Sub-Funds will offer multiple trading counters on the SEHK to investors for secondary trading purposes. Units traded in HKD counter will be settled in HKD; Units traded in USD counter will be settled in USD; and (for the Bond ETF only) Units traded in RMB counter will be settled in RMB. Apart from settlement in different currencies, the trading prices of Units in different counters may be different as each counter is a distinct and separate market.

Units created and issued pursuant to a Creation Application may be deposited in CCASS as HKD traded Units, USD traded Units or (for the Bond ETF only) RMB traded Units initially. A Participating Dealer may, subject to arrangement with the Manager, elect to have Units created deposited in CCASS in any one of the available trading counters. Units redeemed pursuant to a Redemption Application may be withdrawn from any trading counter. Units of both counters may be redeemed by way of a Redemption Application through a Participating Dealer.

Notwithstanding a dual-counter/multi-counter being adopted, (a) Units of the same Sub-Fund traded on all counters are of the same class with the same rights attached thereto and all Unitholders of all these counters are treated equally; (b) all cash Creation Applications must be made in the Base Currency of the Sub-Fund; and (c) any cash proceeds received by a Participating Dealer in a cash Redemption Application shall be paid only in the Base Currency of the Sub-Fund. For the Biotech ETF, in-kind creations and redemptions are still available in the manner described in its Prospectus and will be unaffected by the dual-counter arrangement.

The board lot size and Application Unit size for each counter of the same Sub-Fund are the same, as set out below:

	Board lot size	Application Unit size
Bond ETF	10 Units	50,000 Units
Biotech ETF	100 Units	200,000 Units

Investors should note that each Unitholder will receive distributions in the Base Currency of the Sub-Fund only (whether they are holding HKD, USD or, or the Bond ETF only, RMB Units).

B. Stock codes and stock short names

For the Biotech ETF, the English stock short name of the existing HKD counter will, from the Effective Date, be changed to CAM HSBIOTECH. The stock code, Chinese stock short name and ISIN number of the existing HKD counter will remain unchanged.

For the Bond ETF, the stock codes, English and Chinese stock short names and ISIN numbers of the existing HKD counter and RMB counter will remain unchanged.

The USD counter of each Sub-Fund will, from the Effective Date, have a stock code, an English stock short name, a Chinese stock short name and an ISIN number as follows:

<u>USD counter</u>	<u>Stock Code</u>	<u>English stock short name</u>	<u>Chinese stock short name</u>	<u>ISIN number</u>
Bond ETF	09813	CAM CTPB BOND-U	華夏政銀國債-U	HK0000744216
Biotech ETF	09069	CAM HSBIOTECH-U	華夏恒生生科-U	HK0000744208

C. Inter-counter transfer

Normally, investors can buy and sell Units traded in the same counter or alternatively buy in one counter and sell in another counter provided their brokers provide HKD, USD and/or (for the Bond ETF only) RMB trading services at the same time and offer inter-counter transfer services to support multi-counter trading. Inter-counter buy and sell is permissible even if the trades take place within the same trading day. However, investors should note that the trading price of Units traded in different counters may be different and may not always maintain a close relationship depending on factors such as market demand and supply and liquidity in each counter.

Investors should consult their brokers if they have any questions concerning fees, timing, procedures and the operation of the multi-counter arrangement, including inter-counter transfers.

D. Market making

As with all exchange traded funds listed on the SEHK, the Manager will use its best endeavours to put in place arrangements so that there is at all times at least one market maker for each available counter (although this may be the same Market Maker). The Manager will also use its best endeavours to put in place arrangements so that at least one market maker per counter gives not less than 3 months' notice prior to terminating market making under the relevant market making agreement.

For a list of the market makers for each counter, please refer to the website <https://www.hkex.com.hk/Market-Data/Securities-Prices/Exchange-Traded-Products> (this website has not been reviewed by the SFC).

E. Risk factors

Dual-counter/multi-counter related risks

The relative novelty of the dual-counter/multi-counter for exchange traded funds may make investment in the Units of the Sub-Funds riskier than in single counter units or shares of an SEHK listed issuer, for example, where for some reason there is a settlement failure on an inter-counter transfer if the Units of one counter are delivered to CCASS at the last settlement on a trading day, leaving not enough time to transfer the Units to the other counter for settlement on the same day.

In addition, where there is a suspension of the inter-counter transfers of Units between the trading counters due to, for example, operational or systems interruption, Unitholders will only be able to trade their Units in the currency of the relevant counter. Accordingly, it should be noted that the inter-counter transfers may not always be available.

There is a risk that the market price on the SEHK of Units traded in one currency may deviate significantly from the market price on the SEHK of Units traded in another currency due to market liquidity, supply and demand in each counter and the exchange rate between the relevant trading currencies. The trading price of Units traded in each counter is determined by market

forces and so will not be the same as the trading price of Units multiplied by the prevailing rate of foreign exchange. Accordingly, when selling or buying Units traded in one counter, an investor may receive less or pay more than the equivalent amount in the trading currency of another counter if the trade of the relevant Units took place on another counter and vice versa. There can be no assurance that the price of Units in each counter for the same Sub-Fund will be equivalent.

Investors without USD or (for the Bond ETF only) RMB accounts may buy and sell HKD traded Units only. Such investors will not be able to buy or sell USD or RMB (as the case may be) traded Units. As such investors may suffer a foreign exchange loss and incur foreign exchange associated fees and charges to receive their dividend.

It is possible that some brokers and CCASS participants may not be familiar with and may not be able to (i) buy Units in one counter and to sell Units in another, (ii) carry out inter-counter transfers of Units, or (iii) trade Units in different counters at the same time. In such a case another broker or CCASS participant may need to be used. Accordingly, this may inhibit or delay an investor dealing in Units traded on different counters and may mean investors may only be able to sell their Units in one currency. Investors are recommended to check the readiness of their brokers in respect of the dual-counter/multi-counter trading and inter-counter transfer.

Investors should also refer to the Prospectus or each Sub-Fund for further risks associated with the dual-counter/multi-counter arrangement.

Other currency distributions risk

Investors should note that all Units will receive distributions in the Base Currency of a Sub-Fund only. As such, the Unitholder may have to bear the fees and charges associated with the conversion of such distribution from the Base Currency to another currency. The Unitholder may also have to bear bank or financial institution fees and charges associated with the handling of the distribution payment. Unitholders are advised to check with their brokers regarding arrangements for distributions.

Currency risk

The Sub-Fund has Units traded in other currencies in addition to its base currency (HKD). Accordingly secondary market investors may be subject to additional costs or losses associated with foreign currency fluctuations between the Base Currency and the relevant trading currency when trading units in the secondary market.

F. SEHK approval

The SEHK has granted its approval for admission for trading of the Units to the USD counter of each Sub-Fund with effect from the Effective Date.

G. Stamp duty

No stamp duty is payable on the transfer (purchase or sale) of units of all exchange traded funds on the SEHK. No stamp duty is therefore payable on the transfer of Units between HKD, USD or (for the Bond ETF only) RMB counter.

H. Information on website

From the Effective Date, the Manager's website <http://www.chinaamc.com.hk/> (this website has not been reviewed by the SFC) will be updated. In particular, for each Sub-Fund, the near real-time indicative Net Asset Value per Unit throughout each Dealing Day and the last Net

Asset Value per Unit will also be provided in USD (in addition to HKD and for the Bond ETF only, RMB).

(i) In respect of the Biotech ETF:

Please note that the near real time indicative Net Asset Value per Unit in USD is for reference only. This is updated every 15 seconds during SEHK trading hours and is calculated by ICE Data Services with ICE's real time FX rate.

The last Net Asset Value per Unit in USD is indicative and for reference purposes only and is calculated using the last Net Asset Value per Unit in HKD multiplied by an assumed foreign exchange rate to HKD quoted by Thomson Reuters at 3:00 p.m. (Hong Kong time) as of the same Dealing Day.

The official last Net Asset Value per Unit in HKD and the indicative last Net Asset Value per Unit in USD will be updated on days when the SEHK is open for trading.

(ii) In respect of the Bond ETF:

The near real time indicative Net Asset Value per Unit in USD is indicative and for reference only. This is updated every 15 seconds during SEHK trading hours and is calculated by ICE Data Services with ICE's real time FX rate.

The last Net Asset Value per Unit in USD is indicative and for reference purpose only and is calculated using the last Net Asset Value per Unit in RMB multiplied by an assumed foreign exchange rate for USD quoted by Reuters at 3:00 p.m. (Hong Kong time) as of the same Dealing Day. The last Net Asset Value per unit in RMB will not be updated when the interbank bond market is closed, the change to indicative Net Asset Value per Unit in USD (if any) during such period is solely due to the change in the foreign exchange rate.

The Trustee of the Trust and the Sub-Funds, HSBC Institutional Trust Services (Asia) Limited, has no objection to the above changes.

(2) Clarification of Investment Strategy of the Biotech ETF

The Prospectus and KFS of the Biotech ETF will be revised from the Effective Date to include the following clarificatory disclosure as part of its investment strategy disclosure (the "**Clarification**"):

For the avoidance of doubt (and in addition to the investment and borrowing restrictions and policy regarding securities financing transactions as set out in Schedule 1 of the Sub-Fund's Prospectus):

- (a) the value of a Sub-Fund's cash deposits made with the same entity or entities within the same group may not exceed 20% of the total Net Asset Value of the Sub-Fund under any circumstances;
- (b) borrowing against the assets of the Sub-Fund is allowed up to a maximum of 10% of its total Net Asset Value on a temporary basis only; and
- (c) the Sub-Fund will not make any short sales.

For the avoidance of doubt, (i) the Clarification will not amount to a material change to the Sub-Fund; (ii) there will be no material change or increase in the overall risk profile of the Sub-

Fund; and (iii) the Clarification does not materially prejudice the rights or interests of Unitholders of the Sub-Fund.

(3) General

The costs incurred in connection with the changes described in this Announcement (including the costs of preparing the updated Prospectus and Product Key Facts Statement (“KFS”) as well as the legal fees in relation to the foregoing) will be approximately HKD180,000 and will be borne by the Sub-Funds.

The Prospectus and the KFS of each Sub-Fund will be updated on or around the Effective Date to reflect the changes described above. The revised Prospectus and KFS will be published on the Manager’s website at <http://www.chinaamc.com.hk> (this website has not been reviewed by the SFC) and HKEx’s website at www.hkex.com.hk.

Unless otherwise defined, all capitalised terms shall have the same meaning as that in the prospectus 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
as Manager of the Sub-Funds
Date: 23 June 2021**