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This document is important and requires your immediate attention. If you are in any doubt about the contents of this Announcement, you should seek professional advice. Investment involves risks which may result in significant loss as there is no guarantee on investment returns.

The Manager accepts full responsibility for the accuracy of the information contained in this Announcement 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 misleading.



CSOP ETF SERIES

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

CSOP FTSE China A50 ETF

Stock Codes: 82822 (RMB counter) and 02822 (HKD counter)

CSOP SZSE ChiNext ETF

Stock Code: 83147 (RMB counter) and 03147 (HKD counter)

CSOP China CSI 300 Smart ETF

Stock Code: 83129 (RMB counter) and 03129 (HKD counter)

CSOP MSCI China A International ETF

Stock Code: 83149 (RMB counter) and 03149 (HKD counter)

CSOP S&P NEW CHINA SECTORS ETF

Stock Code: 3167

ANNOUNCEMENT

Shenzhen – Hong Kong Stock Connect

CSOP Asset Management Limited 南方東英資產管理有限公司 (the “**Manager**”) notifies unitholders of the amendments to the Prospectus of the CSOP ETF Series (the “**Trust**”) in relation to the change of the investment policy of CSOP FTSE China A50 ETF, CSOP SZSE ChiNext ETF, CSOP China CSI 300 Smart ETF, CSOP MSCI China A International ETF and CSOP S&P New China Sectors ETF (each a “**Sub-Fund**”, collectively, the “**Sub-Funds**”) with effect from 5 April 2017 (the “**Effective Date**”).

Investors should exercise caution in dealing with the units of the Sub-Funds of the Trust.

Change to the Investment Policy

Currently, the Sub-Funds may invest in China A-shares through either the Manager’s RQFII investment quotas granted by the SAFE and/or the Shanghai-Hong Kong Stock Connect.

From the Effective Date, in addition to the investment channels mentioned above, the Sub-Funds may also invest and have direct access to certain eligible China A-Shares via the Shenzhen-Hong Kong Stock Connect, (together with Shanghai-Hong Kong Stock, the “**Stock Connect**”). Each of the Sub-Fund may invest up to 100% of its net asset value in China A-Shares (subject to applicable rules and regulations) through either the Manager’s RQFII investment quotas granted by the SAFE and/or the Stock Connect.

The Stock Connect is a securities trading and clearing linked programme with an aim to achieve mutual stock market access between the PRC and Hong Kong. The Stock Connect previously comprised only of the Shanghai-Hong Kong Stock Connect. The Shenzhen-Hong Kong Stock Connect was launched on 5 December 2016.

The Shenzhen-Hong Kong Stock Connect comprises a Northbound Trading Link and a Southbound Trading Link. Under the Northbound Trading Link, Hong Kong and overseas investors (including the Sub-Funds), through their Hong Kong brokers and securities trading service companies established by the SEHK and the HKSCC, are able to trade eligible shares listed on the Shenzhen Stock Exchange (“**SZSE**”) by routing orders to the SZSE. Under the Southbound Trading Link, eligible investors, through PRC securities firms and a securities trading service company established by the SZSE, are able to trade eligible shares listed on the SEHK by routing orders to the SEHK.

Hong Kong and overseas investors are only able to trade certain stocks listed on the SZSE market (the “**SZSE Securities**”) via the Shenzhen-Hong Kong Stock Connect.

SZSE Securities will include all the constituent stocks of the SZSE Component Index and the SZSE Small/Mid Cap Innovation Index which have a market capitalisation of not less than RMB 6 billion and all the SZSE-listed A shares which have corresponding H shares listed on SEHK, except the following:

- (a) SZSE-listed shares which are not traded in RMB; and
- (b) SZSE-listed shares which are included in the “risk alert board”.

At the initial stage of Shenzhen-Hong Kong Stock Connect, shares listed on the ChiNext Board of SZSE under Northbound Trading Link will be limited to institutional professional investors. Subject to resolution of related regulatory issues, other investors may subsequently be allowed to trade such shares.

Please note that, similar to the Shanghai-Hong Kong Stock Connect, the A-Shares traded through the Shenzhen-Hong Kong Stock Connect are issued in scripless form, so investors such as the Sub-Funds will not hold any physical A-Shares through the Shenzhen-Hong Kong Stock Connect. Hong Kong and overseas investors who have acquired SZSE Securities through Northbound trading should maintain the SZSE Securities with their brokers’ or custodians’ stock accounts with CCASS (the Central Clearing and Settlement System operated by HKSCC for the clearing securities listed or traded on SEHK).

For the avoidance of doubt, A-Shares held at stock accounts through the Shenzhen-Hong Kong Stock Connect will not be transferred to Participating Dealers to meet in-kind Redemption Applications. Currently only the CSOP China CSI 300 Smart ETF accepts in-kind Creation Applications.

Disclosure is updated in the Prospectus to reflect the use of the Shenzhen-Hong Kong Stock Connect and the relevant risks, which is available on the Effective Date. For further information, please refer to the

Prospectus including the sections titled “The Stock Connect”.

Please note that investments through the Shenzhen-Hong Kong Stock Connect are subject to risks similar to risks of the Shanghai-Hong Kong Stock Connect. Investors’ attention is drawn to the risks disclosed in the Prospectus, in particular, “Risks associated with Stock Connect”.

Revised Prospectus

The above changes and consequential amendments will be reflected in the revised Prospectus of the Trust which together with Product Key Facts Statements of each Sub-Fund will be published on the Manager’s website at www.csopasset.com/etf and the HKEx’s website at www.hkexnews.hk on the Effective Date.

General

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

For Further Information

If you have any queries or require further information in relation to any aspect of this Announcement, please contact our Customer Service Hotline at (852) 3406 5688.

By Order of the Board
CSOP Asset Management Limited
南方東英資產管理有限公司
Chief Executive Officer
Ding Chen

3 April 2017

As of the date of this Announcement, the board of directors of the Manager comprises 7 Directors namely, Ms. Ding Chen, Mr. Gao Liangyu, Mr. Zhang Gaobo, Mr. Benoit Descourtieux, Mr. Cai Zhongping, Mr. Li Haipeng and Mr. Wu Zengtao.