

## Haitong Middle Kingdom Fund (the “Fund”)

### Notice to Unitholders

**Attention: This document is important and requires your immediate attention. If you are in any doubt about the contents of this document, you should seek independent professional advice.**

**Haitong International Investment Managers Limited accepts responsibility for the accuracy of the information contained in this document 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.**

Unless otherwise stated herein, capitalised terms in this notice shall have the same meaning(s) as defined in the explanatory memorandum of the Fund dated November 2018, as amended from time to time (“**Explanatory Memorandum**”).

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16 November 2018

Dear Unitholders,

We are writing to inform you of certain changes to the Fund.

#### **A. Amendments made to the offering documents**

The Explanatory Memorandum has been amended by way of a consolidated Explanatory Memorandum. A summary of the key amendments to the Explanatory Memorandum are set out below. The product key facts statements of the Fund (“**KFS**”) has also been amended to reflect the applicable changes.

##### *1. Updates to the Directors of the Manager*

The Explanatory Memorandum provides an update to the list of Directors of the Manager, following the appointment of Mr. Chen Xuan and reappointment of Mr. Poon Mo Yiu as directors of the Manager and resignation of Mr. Zhang Xinjun. The Explanatory Memorandum also provides the updated biographies of each Director.

##### *2. Updates to method of application and redemption of Units*

The Explanatory Memorandum provides updates to the method of application and redemption of Units in the Fund. Application and redemption of Units in the Fund may now be made by fax or by other electronic means as agreed between the Manager, the Trustee and the Registrar’s Agent to the Manager or the Registrar’s Agent (previously applications could only be made by fax). Other than the additional method of returning applications and redemptions by other electronic means, all other application and redemption procedures of the Fund remain the same.

##### *3. Updates to method of publication of prices of Units*

The Explanatory Memorandum and the KFS provide an update to the publication method of prices of the Units. The Net Asset Value of the Fund and the subscription and redemption price of Units shall be published on each business day on the Manager’s website only

(previously these were published on the South China Morning Post and the Hong Kong Economic Journal, as well as on the website).

Please note that the Manager's website has not been reviewed or authorised by the Securities and Futures Commission of Hong Kong ("SFC").

4. *Updates to disclosure on Anti-Money Laundering Regulation*

The Explanatory Memorandum provides an update to the disclosure on anti-money laundering regulations which the Fund is subject to, following a recent update to the applicable anti-money laundering legislation and regulations.

5. *Updates to disclosure on FATCA*

The Explanatory Memorandum provides an update to the disclosure on FATCA, including the risks relating to FATCA, following changes to the FATCA and CRS regimes.

6. *Consolidation of the Explanatory Memorandum*

The Explanatory Memorandum consolidates the first addendum dated 28 April 2017, the second addendum dated 21 July 2017 and the third addendum dated 22 March 2018.

7. *Minor cosmetic amendments*

The Explanatory Memorandum provides minor cosmetic and formatting amendments or improved drafting amendments, including to the Manager's address, from "Des Voeux Road" to "Des Voeux Road Central", certain time references from "6:00pm in the afternoon" to "6:00 pm".

The changes described above are in summary form only and are not meant to be an exhaustive list of the amendments made to the Explanatory Memorandum. Unitholders should note that there are other ancillary changes to the Explanatory Memorandum and as such, should review the Explanatory Memorandum for further details on the changes made.

A copy of the Explanatory Memorandum (including the KFS), as amended, are available for inspection at the office of the Manager during normal office hours free of charge and copies thereof may be obtained from the Manager free of charge or may be downloaded online at [http://www.htisec.com/asm/en/download.jsp?fund\\_id=4](http://www.htisec.com/asm/en/download.jsp?fund_id=4). This website has not been reviewed or authorised by the SFC.

## **B. Amendments made to the Trust Deed**

The Trust Deed has been amended by an eleventh supplemental deed ("**11<sup>th</sup> Supplemental Deed**") to reflect the below changes.

- Adding new provisions to ensure the Fund's compliance with the Anti-Money Laundering Regulations (2018 Revision), including but not limited to appointment of AML officers, maintenance by the Manager on behalf of the Fund of anti-money laundering policies and procedures, identification and verification procedures, internal controls and communications and record keeping; and

- Replacing all references from publication of certain events “in newspapers” (eg. suspension of dealing in Units and Unit prices) to “the Manager’s website”, and other corresponding amendments.

Please refer to the 11<sup>th</sup> Supplemental Deed for further details on the changes made.

The above changes reflect the latest regulatory requirements and accordingly do not amount to a material change to the Fund and do not materially prejudice the rights or interests of the Unitholders. There will be no material change or increase in the overall risk profile of the Fund as a result of these changes.

A copy of the Trust Deed together with all supplemental deeds (including the 11<sup>th</sup> Supplemental Deed) can be inspected free of charge at the office of the Manager during normal office hours.

Should you have any queries relating to the above, please do not hesitate to contact our Customer Services Hotline at (852) 2116 8200 during our office hours (Monday to Friday (excluding public holidays), from 9:00am to 6:00pm) or email us at [htiim@htisec.com](mailto:htiim@htisec.com).

Yours faithfully,

For and on behalf of  
**Haitong International Investment Managers Limited**  
as the Manager for the Fund