

Haitong Middle Kingdom Fund (the “Fund”)

Notice to Unitholders

This document is important and requires your immediate attention. If you are in any doubt about the content of this document, you should consult your stockbroker, accountant, bank manager, financial planner, attorney, solicitor or other independent professional advisor.

Haitong International Investment Managers Limited (the “**Manager**”) accepts full responsibility for the accuracy of the information contained in this notice 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 January 2020, as amended (“**Explanatory Memorandum**”).

21 January 2020

Dear Unitholders,

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

A. Change in Alternate Trustee

The existing alternate trustee of the Fund is HSBC Bank Bermuda Limited (“**Retiring Alternate Trustee**”), which is a subsidiary of HSBC Holdings plc. As part of HSBC Group’s re-alignment of corporate strategy, the Retiring Alternate Trustee wishes to retire as alternate trustee of the Fund in favour of another subsidiary of HSBC Holdings plc, namely, HSBC Institutional Trust Services (Singapore) Limited (“**New Alternate Trustee**”). The retirement of the Retiring Alternate Trustee and the appointment of the New Alternate Trustee as replacement alternate trustee of the Retiring Alternate Trustee will take effect at the same time, on and from 21 July 2020 (the “**Effective Date**”).

Pursuant to Clause 33.8 of the Trust Deed, the Manager may appoint a replacement alternate trustee in place of a retiring alternate trustee. The Manager agrees to appoint the New Alternate Trustee as replacement alternate trustee in place of the Retiring Alternate Trustee with effect on and from the Effective Date.

Accordingly, with effect on and from the Effective Date, the Retiring Alternate Trustee will be released and discharged from, and the New Alternate Trustee will assume, all the duties, obligations, liabilities and responsibilities as alternate trustee of the Fund pursuant to the Trust Deed but without prejudice to the rights of the New Alternate Trustee, the Manager or Unitholders or other person in respect of any act or omission of the Retiring Alternate Trustee under the Trust Deed prior to the Effective Date.

HSBC Institutional Trust Services (Singapore) Limited is incorporated in Singapore and its registered office address is at 21 Collyer Quay, #13-02 HSBC Building, Singapore 049320. It is approved by the Monetary Authority of Singapore to act as trustee for collective investment schemes and is a licensed trust company. It is regulated by the Monetary Authority of Singapore.

B. Amendments to the Explanatory Memorandum and Trust Deed

The Explanatory Memorandum will be amended to reflect the changes set out above.

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 review the amended Explanatory Memorandum (which will be available on or after the Effective Date) for further details on the changes made.

A copy of the Explanatory Memorandum (including the KFS), as amended, will be available on or after the Effective Date 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. This website has not been reviewed or authorised by the SFC.

The Trust Deed will be amended by a deed of retirement and appointment of alternate trustee and variation (“**Deed of Retirement and Appointment**”) to reflect the retirement of the Retiring Alternate Trustee and the appointment of the New Alternate Trustee and other consequential amendments. The Deed of Retirement and Appointment will be available on or after the Effective Date. Copies of the Trust Deed together with all supplemental deeds (including the Deed of Retirement and Appointment) can be inspected free of charge at the office of the Manager during normal office hours.

C. Impact on the Fund and its Unitholders

Save for the changes set out above, there will be no change in features of the Fund. The changes set out above will also not result in (i) any change in the type of fees, or the level of fees payable by the Fund or by the Unitholders; (ii) any change in the dealing procedure of the Fund; (iii) any change in the operation and/or manner in which the Fund is being managed apart from the change of alternate trustee or any effect on existing investors; (iv) any change in the risk profile of the Fund; or (v) any material prejudice to existing Unitholders’ rights or interests.

The Trustee confirms that in its opinion the above modification, alteration or variation to the Trust Deed does not materially prejudice the interests of the Unitholders, does not to any material extent release the Trustee or the Manager or any other person from any liability to Unitholders and does not increase the costs and charges payable from the Fund.

D. Costs

The costs and expenses associated with the changes in connection with the retirement of the Retiring Alternate Trustee and the appointment of the New Alternate Trustee will be borne by the HSBC Group.

Please note that there is no action required of you in order to implement the changes set out in this notice.

E. Enquiry

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.

Yours faithfully,

For and on behalf of

Haitong International Investment Managers Limited
As the Manager for the Fund