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ChinaAMC Global ETF Series II (the “Trust”)

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

ChinaAMC Asia USD Investment Grade Bond ETF

*HKD Counter Stock Code: 3141
USD Counter Stock Code: 9141*

ChinaAMC Asia High Dividend ETF

Stock Code: 3145

ChinaAMC MSCI Japan Hedged to USD ETF

Stock Code: 3160

ChinaAMC MSCI Europe Quality Hedged to USD ETF

Stock Code: 3165

ChinaAMC NASDAQ 100 ETF

*HKD Counter Stock Code: 3086
USD Counter Stock Code: 9086*

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

Announcement

(A) Introduction of Unlisted Classes of Units of the Sub-Funds

(B) Change in Distribution Policy to the Listed Class of Units of the Sub-Funds

**(C) Change of Strategy of Financial Derivative Instruments of
ChinaAMC Asia High Dividend ETF,
ChinaAMC MSCI Japan Hedged to USD ETF,
ChinaAMC MSCI Europe Quality Hedged to USD ETF, and
ChinaAMC NASDAQ 100 ETF**

(D) Change of Trust Deed

China Asset Management (Hong Kong) Limited (the “**Manager**”), the manager of the Trust and the Sub-Funds, hereby wishes to inform Unitholders that with effect from 23 December 2024 (the “**Effective Date**”):

- (a) unlisted classes of units which incorporate a swing pricing mechanism will be introduced to the Sub-Funds (the “**Introduction of Unlisted Classes of Units**”);
- (b) the distribution policy of the listed class of units of the Sub-Funds (the “**Listed Class of Units**”) will be changed so that the Listed Class of Units may pay dividends out of capital or effectively out of capital as well as income at the Manager’s discretion (the “**Change in Distribution Policy**”); and
- (c) the strategy of financial derivative instruments (“**FDIs**”) of the ChinaAMC Asia High Dividend ETF, ChinaAMC MSCI Japan Hedged to USD ETF, ChinaAMC MSCI Europe Quality Hedged to USD ETF and ChinaAMC NASDAQ 100 ETF will be changed so that the Sub-Funds may invest in FDIs including but not limited to futures and total return index swaps, for hedging or non-hedging (i.e. investment) purposes. The Sub-Funds’ holdings of FDIs for non-hedging (i.e. investment) purposes will not exceed 10% of its net asset value (“**Net Asset Value**”) (the “**Change in FDIs Strategy**”).

Unless otherwise defined in this Announcement, capitalised terms used in this Announcement shall have the same meaning as defined in the prospectus of the Trust and the Sub-Funds (the “**Prospectus**”).

1. Introduction of Unlisted Classes of Units to each of the Sub-Funds

On the Effective Date, unlisted classes of units will be introduced to each of the Sub-Funds to provide investors with an additional option to subscribe for units in each of the Sub-Funds. The Manager expects the introduction of unlisted classes of units to increase the sizes of the Sub-Funds respectively. Through unlisted classes of units, investors can subscribe/redeem directly to/from each of the Sub-Funds at their respective Net Asset Value and via distributors.

The unlisted classes of units of the Sub-Funds (the “**Unlisted Classes of Units**”) will incorporate a swing pricing mechanism. The incorporation of the swing pricing mechanism in the Unlisted Classes of Units is to protect investors from dilution caused by trading costs resulting from substantial net subscriptions or net redemptions in respect of the Unlisted Classes of Units.

There are similarities and differences between the Listed Class of Units and Unlisted Classes of Units. In particular, the fee structure, investment return and Net Asset Value will be different between the Listed Class of Units and Unlisted Classes of Units of a Sub-Fund. The Prospectus will be revised on the Effective Date. Investors should refer to the revised Prospectus and the respective appendices relating to the Sub-Funds (in particular the section “Key Information” of each of the appendices) for information on the similarities and differences about the Listed Class of Units and Unlisted Classes of Units.

The product key facts statements in respect of the Listed Class of Units of each of the Sub-Funds will also be revised on the Effective Date, and a separate product key facts statement will be published in respect of the Unlisted Classes of Units of each of the Sub-Funds on the Effective Date.

Risks associated with differences in trading, fee and cost arrangements between Listed Class and Unlisted Class(es) of Units

Different dealing arrangements

Each Sub-Fund is an exchange traded fund, which offers both Listed Class of Units and Unlisted Class(es) of Units. Dealing arrangements in respect of Listed Class of Units and Unlisted Class(es) of Units are different, and depending on market conditions, investors of the Listed Class of Units may be at an advantage compared to investors of the Unlisted Class(es) of Units, or vice versa. The Net Asset Value per Unit of each of the Listed Class of Units and Unlisted Class(es) of Units may also be different due to different fees (such as the management fee) and costs applicable to each class of Units.

Different cost mechanism

In addition, investors should note that different cost mechanisms apply to Listed Class of Units and Unlisted Class(es) of Units. For Listed Class of Units, the Transaction Fee and Duties and Charges in respect of Creation and Redemption Applications are paid by the Participating Dealer applying for or redeeming such Units and/or the Manager. Investors of Listed Class of Units in the secondary market will not bear such Transaction Fees and Duties and Charges (but for the avoidance of doubt, may bear other fees, such as SEHK trading fees, as described under the section “Fees and Expenses” of the Prospectus).

On the other hand, the subscription and redemption of Unlisted Class(es) of Units may be subject to a subscription fee and redemption fee respectively, which will be payable to the Manager by the investor subscribing or redeeming. In addition, the Manager may, in its absolute discretion, in addition to the Subscription Price and/or Redemption Price, in certain circumstances, add or deduct an amount of Subscription Adjustment Allowance or Redemption Adjustment Allowance (as the case may be) it considers represents an appropriate provision for transactional fees or expenses which are customarily incurred by the relevant Sub-Fund, and such additional amount will be paid to the Trustee and will form part of the assets of the relevant Sub-Fund. Please refer to Schedule 2 of the Prospectus for further information on Subscription Adjustment Allowance and Redemption Adjustment Allowance. Further, the Manager may (if in its opinion in good faith it is in the best interest of Unitholders to do so), through swing pricing mechanism, adjust the Net Asset Value of such Units so as to ensure that investors of the Unlisted Class(es) of Units will not be prejudiced in the event of substantial net subscriptions or net redemptions. Please refer to the section “Anti-Dilution Pricing Adjustment” in Schedule 3 of the Prospectus for further information.

Any or all of these factors may lead to a difference in the Net Asset Value of the Listed Class of Units and Unlisted Class(es) of Units.

Trading arrangements in respect of Unlisted Class(es) of Units

Unlike investors of Listed Class of Units who may buy and sell Units in the secondary market during SEHK trading hours, investors of Unlisted Class(es) of Units are only able to subscribe and redeem at the relevant Subscription Price and Redemption Price (as the case may be) based on the latest available Net Asset Value as at the end of each Dealing Day. As such, Unitholders of Listed Class of Units would have intra-day trading opportunities which will not

be available to Unitholders of Unlisted Class(es) of Units. In a stressed market scenario, Unitholders of Listed Class of Units can sell their Units on the secondary market during SEHK trading hours if the market continues to deteriorate, while Unitholders of Unlisted Class(es) of Units will not be able to do.

Trading arrangements in respect of Listed Class of Units

Conversely, secondary market investors generally do not have access to the redemption facilities which are available to investors of Unlisted Class(es) of Units. During stressed market conditions, Participating Dealers may, on their own account or on behalf of any primary market investors, redeem Listed Class of Units on the primary market at the Net Asset Value of the Sub-Fund, but the secondary market trading prices may have diverged from the corresponding Net Asset Value. In such circumstances, Unitholders of the Listed Class of Units in the secondary market will be at an apparent disadvantage to Unitholders of the Unlisted Class(es) of Units as the latter will be able to redeem from the Sub-Fund at Net Asset Value whilst the former will not.

Difference in distribution policy

The Manager will pay distributions to Unitholders of the Listed Class of Units and may pay distributions to Unitholders of the distribution Unlisted Classes of Units but not to Unitholders of the accumulation Unlisted Class of Units. Distributions made in respect of the Listed Class of Units and the distribution Unlisted Classes of Units may result in an immediate reduction in their respective Net Asset Value per Unit. All income and capital gain received in the accumulation Unlisted Class of Units will be reinvested and reflected in the Net Asset Value per Unit. The difference in the distribution policies of the classes will lead to difference in the Net Asset Value between the classes.

Swing pricing adjustments (applicable to Unlisted Class(es) of Units only)

In the event of substantial net subscriptions or net redemptions in respect of all Unlisted Class(es) of Units of the Sub-Fund, the Manager may (if in its opinion in good faith it is in the best interest of Unitholders to do so), through swing pricing mechanism, adjust the Net Asset Value of a Unit of the Unlisted Class(es) of Units of the Sub-Fund. Consequently, investors may subscribe/redeem at a higher subscription price/lower redemption price. Investors should note that the occurrence of events which may trigger swing pricing adjustments is not predictable. It is not possible to accurately predict how frequent such swing pricing adjustments will need to be made. Swing pricing adjustments may be greater than or less than the actual charges incurred. Investors should also be aware that swing pricing adjustments may not always, or fully, prevent the dilution of the Sub-Fund's assets.

2. Change in Distribution Policy of the Listed Class of Units of the Sub-Funds

Currently the Listed Class of Units do not pay dividend out of capital or effectively out of capital. Dividends are only payable out of the net income of the Listed Class of Units. With effect from the Effective Date, the distribution policy of the Listed Class of Units will be revised so that the Manager may, at its discretion, pay dividend (i) out of capital, or (ii) out of gross income while all or part of the fees and expenses of the Listed Class of Units are charged to/paid out of the capital in respect of the Listed Class of Units, resulting in an increase in distributable income for the payment of dividends by the Listed Class of Units and therefore, the Listed Class of Units may effectively pay dividend out of capital. The reason for this change is to provide flexibility in the distribution policy of the Listed Class of Units.

Distributions out of or effectively out of capital risk

The Manager may, at its discretion make distributions out of capital in respect of the Listed Class of Units. The Manager may also, at its discretion, make distributions out of gross income while all or part of the fees and expenses of the Listed Class of Units are charged to/paid out of the capital in respect of the Listed Class of Units of the Sub-Fund, resulting in an increase in distributable income for the payment of distributions by the Sub-Fund and therefore, the Sub-Fund may effectively pay distributions out of the capital. Payment of distributions out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of distributions out of or effectively out of the Sub-Fund's capital may result in an immediate reduction of the Net Asset Value per Listed Class of Units. Please refer to the sub-section headed "Distribution Policy" under "Statutory and General Information" in the Prospectus for further details.

3. Change in FDIs Strategy of the ChinaAMC Asia High Dividend ETF, ChinaAMC MSCI Japan Hedged to USD ETF, ChinaAMC MSCI Europe Quality Hedged to USD ETF and ChinaAMC NASDAQ 100 ETF

Currently, each of the ChinaAMC Asia High Dividend ETF, ChinaAMC MSCI Japan Hedged to USD ETF, ChinaAMC MSCI Europe Quality Hedged to USD ETF and ChinaAMC NASDAQ 100 ETF (the "FDIs Strategy Impacted Sub-Funds") has no intention to invest in any FDIs for hedging or non-hedging purposes (i.e., the FDIs Strategy Impacted Sub-Funds will not use derivatives for any purpose).

From the Effective Date, the FDIs strategy of each of the FDIs Strategy Impacted Sub-Funds will change so that the FDIs Strategy Impacted Sub-Funds may invest in FDIs including but not limited to total return index swaps for hedging or non-hedging (i.e. investment) purposes, and the holdings of FDIs for non-hedging (i.e. investment) purposes will not exceed 10% of the Net Asset Value of the relevant FDIs Strategy Impacted Sub-Funds. For the avoidance of doubt, the net derivative exposure of each FDIs Strategy Impacted Sub-Fund may be up to 50% of its Net Asset Value.

The Change in FDIs strategy will allow the Manager to maintain greater investment flexibility for the FDIs Strategy Impacted Sub-Funds by engaging in FDIs to achieve its investment objective.

Risks associated with FDIs

A FDI is a financial contract or instrument the value of which depends on, or is derived from, the value of an underlying asset such as a Security or an index and may have a high degree of price variability and is subject to occasional rapid and substantial changes. Compared to conventional Securities, FDIs can be more sensitive to changes in interest rates or to sudden fluctuations in market prices due to both the low margin deposits required, and the extremely high degree of leverage involved in their pricing. As a result, a relatively small price movement in a FDI may result in immediate and substantial loss (or gain) to the FDIs Strategy Impacted Sub-Funds. The losses of the FDIs Strategy Impacted Sub-Funds may be greater if it invests in FDIs than if it invests only in conventional Securities.

There may also be no active market in FDIs and therefore investment in FDIs can be illiquid. In order to meet redemption requests, the FDIs Strategy Impacted Sub-Funds may rely upon the issuer of the FDIs to quote a price to unwind any part of the FDIs that will reflect the market liquidity conditions and the size of the transaction.

In addition, many FDIs are not traded on exchanges. As a result, if the relevant FDIs Strategy Impacted Sub-Funds engages in transactions involving FDIs, it will be subject to the risk of inability or refusal to perform such contracts by the counterparties with which the relevant FDIs

Strategy Impacted Sub-Funds trades, and as such the FDIs Strategy Impacted Sub-Fund may suffer a total loss of the FDIs Strategy Impacted Sub-Fund interest in the FDIs. This risk is also aggregated by the fact that over-the-counter derivatives markets are generally not regulated by government authorities and participants in these markets are not required to make continuous markets in the contracts they trade.

An investment in the FDIs does not entitle the FDIs holder to the beneficial interest in the shares nor to make any claim against the company issuing the shares. There can be no assurance that the price of the FDIs will equal the underlying value of the company or securities market that it may seek to replicate or obtain exposure.

The appendices to the Prospectus and the product key facts statements relating to the FDIs Strategy Impacted Sub-Funds, respectively, will be updated accordingly. Investors are urged to consider the risks of the investments of the FDIs Strategy Impacted Sub-Funds.

4. Implication of the Introduction of Unlisted Classes of Units, the Change in Distribution Policy, and the Change in FDIs Strategy

Saved as disclosed herein, the investment objective and strategy of each of the Sub-Funds remain unchanged, and there will not be material change or increase in the risk profile of the Sub-Funds.

Save as disclosed herein, there is no change in the operation or manner in which the Sub-Funds are being managed as a result. Save as described herein, the Manager does not expect the Introduction of Unlisted Classes of Units, the Change in Distribution Policy, and the Change in FDIs Strategy to impact the operation or manner in which the Listed Class of Units are being managed.

The Introduction of Unlisted Classes of Units, the Change in Distribution Policy, and the Change in FDIs Strategy do not (i) materially prejudice the rights or interests of the existing investors of the Sub-Funds, or (ii) change in the fee level or cost in managing the Listed Class of Units.

The costs and/or expenses incurred in respect of the Introduction of Unlisted Classes of Units and the Change in Distribution Policy are estimated to be HKD270,000 (including legal fees and translation fees). Since all Sub-Funds adopt a single management fee structure, the costs and/or expenses incurred as a result of the Introduction of Unlisted Classes of Units and the Change in Distribution Policy will be included in the management fee of each of the Sub-Funds and thus, no additional costs and/or expenses will be charged to the Sub-Funds. These costs are not expected to pose any material impact to the Net Asset Value of the Sub-Funds nor have any significant adverse impact to Unitholders.

Existing investors who do not wish to remain invested in the Listed Class of Units of the Sub-Fund on or after the Effective Date of the changes described herein may sell their holdings on the SEHK at any time prior to the Effective Date. Usual fees payable in respect of dealing in the Units on the SEHK apply.

The updated Prospectus (including the product key facts statements for each of the listed class of units and unlisted class of units) of the Sub-Funds will be available from the Effective Date on the Manager's website at www.chinaamc.com.hk (this website has not been reviewed by the SFC) and the SEHK website at www.hkex.com.hk.

5. Change of Trust Deed

The Trust Deed will be further amended and restated on the Effective Date with changes relating to the dealing and operational provisions of Listed Classes of Units and Unlisted Classes of Units of the Sub-Funds. The change of the Trust Deed does not require Unitholders' approval pursuant to the Trust Deed and applicable laws and regulations. The Trustee agrees to the change of the Trust Deed.

Copies of the amended and restated Trust Deed will be available for inspection free of charge at any time during office hours at the office of the Manager at 37th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong.

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 Trust and the Sub-Funds
21 November 2024**