

IMPORTANT:

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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 II

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

**CSOP Bloomberg Barclays China Treasury + Policy Bank Bond Index ETF
Stock Codes: 83199 (RMB counter), 3199 (HKD counter) and 9199 (USD counter)**

a sub-fund of the CSOP ETF Series II
(the “Sub-Fund”)

**Announcement
Trading Cessation of the USD Trading Counter**

CSOP Asset Management Limited 南方東英資產管理有限公司, manager of the Sub-Fund (the “**Manager**”), hereby announces that further to the Announcement and Notice dated 7 February 2020 and titled “Termination of USD Trading Counter” (i.e. the “**First Announcement**”), this Announcement is to inform Relevant Investors of the USD trading counter of the Sub-Fund (the “**Terminating Counter**”, stock code: 9199):

- 25 March 2020 will be the last trading day (the “**Last Trading Date**”) that the investors can choose to sell their units in Terminating Counter in the secondary market or transfer to the HKD or RMB counter of the Sub-Fund.
- The Terminating Counter will cease trading between 26 March 2020 and 30 March 2020 (the “**Trading Cessation**”). For the avoidance of doubt, the HKD and RMB trading counters of the Sub-Fund would not be ceased trading.
- After the Trading Cessation, the Terminating Counter will be terminated on 31 March 2020 (the “**Effective Date**”).

Unless otherwise defined in this Announcement, capitalised terms used in this Announcement shall have the same meaning as defined in the Prospectus of the Sub-Fund dated 9 October 2019 (the “**Prospectus**”).

Investors should exercise caution in dealing in the units of the Sub-Fund.

The Manager hereby announces that further to the First Announcement, this Announcement is to inform Relevant Investors of the Terminating Counter regarding the Trading Cessation between 26 March 2020 and 30 March 2020. For the avoidance of doubt, the HKD and RMB trading counters of the Sub-Fund would not be ceased trading.

The investors can choose to sell their units in Terminating Counter in the secondary market or transfer to the HKD or RMB counter of the Sub-Fund on or before the Last Trading Day.

On 30 March 2020, the remaining units in Terminating Counter could be seen from CCASS shareholding information published on <https://www.hkexnews.hk/sdw/search/searchsdw.aspx> and CCASS will transfer these units to HKD trading counter of the Sub-Fund accordingly (the "Units Transfer"). For the avoidance of doubt, investors would not need to take any actions for the Units Transfer.

On the Effective Date, the Terminating Counter's termination will be effective, and the Prospectus and the KFS will be updated to reflect the above changes.

Impact

Investors should note that the Units Transfer may be subject to currency risk. The NAV of the units may be affected unfavourably by fluctuations in the exchange rates between these currencies and USD and by changes in exchange rate controls. Investors' attention is also drawn to the section "Multi-Counter Trading" and risk factor in the Prospectus of the Sub-Fund entitled "Multi-Counter Risks" and "Exchange Rates Movement Between the RMB and Other Currencies Risk".

Investors should note that, since the Effective Date, the Terminating Counter is no longer allowed to be marketed to public in Hong Kong and shall not accept subscription from new investors.

The proposed termination of the Terminating Counter will not materially prejudice the existing unitholders' rights or interests and there will not be any material changes or increase in the overall risk profile of the Sub-Fund following the change. There will not be any changes to the investment objective and policy, and the fee level/ cost in managing the Sub-Fund.

Cost

The inter-counter transfer fee of HK\$5 that HKSCC will charge each CCASS participant per instruction for an inter-counter transfer from one counter to another counter will be borne by the Manager. The Manager will inform the relevant brokers of this arrangement separately.

Investors in Terminating Counter may or may not have to pay additional fees and expenses charged by their brokers. Investors should check with their brokers for any additional trading related fees and charges may apply. The Manager believes that it is difficult to reimburse the fees to investors of Terminating Counter in real practice, but is willing to allow investors to claim the relevant charges (if any) upon sufficient supporting documents, and process with reasonable judgement. The reimbursement should be limited to reasonable brokerage charges associated only.

General

The Prospectus of the Sub-Fund and the KFS will be updated to reflect the above changes. The revised Prospectus and KFS will be uploaded on the Manager's website at <http://www.csopasset.com/rmb-bond-etf> and the HKEX's website at www.hkexnews.hk (this website has not been reviewed by the SFC) on the Effective Date.

If you have any questions concerning this Announcement, please contact us on +852 3406 5688 or at 2801-2803, Two Exchange Square, 8 Connaught Place, Central, Hong Kong.

By Order of the Board
CSOP Asset Management Limited
Chief Executive Officer
Ding Chen

23 March 2020, Hong Kong

As of the date of this Announcement, the board of directors of the Manager comprises 7 Directors namely, Ms. Ding Chen, Mr. Zhang Gaobo, Mr. Cai Zhongping, Mr. Zhou Yi, Mr. Yang Xiaosong, Mr. Liu Zhiwei and Ms. Liu Xiuyan.

Appendix - Termination Schedule

Termination Schedule	
Dates	Items
7 February 2020	Date of this Announcement and Notice
23 March 2020	Decision Date The last day that investors can reach out to the Manager if they refuse Units Transfer and/or want to sell the units to the Manager.
<u>If there is no investor reaching out to the Manager, or if there are investors who reach out to the Manager and agree to sell the units in Terminating Counter to the Manager by trading hours of the Decision Date:</u>	
23 March 2020	Date of the Announcement and Notice of Trading Cessation After trading hours: Issue an announcement to inform investors of Terminating Counter of the trading cessation of Terminating Counter between the next date to Last Trading Date and 30 March 2020. The HKD and RMB trading counters would not be ceased trading.
25 March 2020	Last Trading Date The last trading day that the investors can choose to sell their units in Terminating Counter in the secondary market or transfer to the HKD or RMB trading counter of the Sub-Fund.
26 March 2020	Next day to Last Trading Date Trading Cessation of the Terminating Counter begins.
30 March 2020	Units Transfer The remaining units in Terminating Counter could be seen and CCASS will transfer these units to HKD trading counter of the Sub-Fund accordingly. For the avoidance of doubt, investors would not need to take any actions for Units Transfer.
31 March 2020	Effective Date of Counter Termination The Terminating Counter will be terminated beginning from 9:00 am of the Effective Date.