

IMPORTANT: If you are in any doubt about the contents of this notice, you should immediately consult your stockbroker, bank manager, solicitor, accountant or financial adviser. Unless otherwise defined, terms in this notice shall have the same meaning as that in the Prospectus and the Hong Kong Covering Document of the Fund (as defined below).

The Securities and Futures Commission of Hong Kong (“SFC”) authorization is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean that the Fund is suitable for all investors, nor is it an endorsement of its suitability for any particular investor or class of investors.

China Southern Asset Management Co., Ltd. (the “Manager”) accepts full responsibility for 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 every statement misleading and that opinions expressed in this notice have been arrived at after due and careful consideration.

China Southern Selected Value Mixed Securities Investment Fund Proposed investment in stocks listed on the Beijing Stock exchange

Dear Investors,

We, China Southern Asset Management Co., Ltd. (“**the Manager**”), the manager of China Southern Selected Value Mixed Securities Investment Fund (the “**Fund**”) wish to inform Unitholders of the Fund that, we have issued an announcement dated 15 November 2021 “*Announcement on the participation in the Stock Investment of Beijing Stock Exchange by Certain funds Managed by the Company and Related Risk*” (the “**Announcement**”).

Certain funds managed by the Manager, including the Fund, may invest in stocks listed on the Beijing Stock Exchange in accordance with the provisions of the Fund Contract. Please refer to the Announcement for details.

The Fund will invest not more than 10% of the Fund’s net asset value in stocks listed on the Beijing Stock Exchange.

The Fund’s prospectus, Hong Kong Covering Document and KFS of the Fund will be updated in due course to reflect the above elaboration in investment strategy, and additional relevant risk considerations relating to the Fund’s investment in stocks listed on the Beijing Stock Exchange (as applicable).

Other than as described above, the Manager of the Fund believes that the elaboration will not result in any additional risks or impact the investment strategy of the Fund. There is no change to the operation and/or the manner in which the Fund is being managed. If you have any queries,

please direct these to your financial adviser or alternatively to the Hong Kong Representative at 2801-2803 Two Exchange Square, 8 Connaught Place, Central, Hong Kong (telephone number: (852) 3406 5688; website: www.csopasset.com).

^This website has not been reviewed by the SFC.

China Southern Asset Management Co., Ltd.

15 November 2021

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Announcement on the participation in the Stock Investment of Beijing Stock Exchange by Certain Funds Managed by the Company and Related Risks

In accordance with the provisions of relevant laws and regulations and the provisions of the Fund Contract, the relevant matters concerning the participation of certain funds managed by the China Southern Asset Management Co., Ltd. in the stock investments of Beijing Stock Exchange (hereinafter referred to as “Beijing Stock Exchange”) are hereby announced as follows:

1. The stocks listed on the Beijing Stock Exchange are the stocks listed in Mainland according to relevant law and belong to the “listed and traded stocks” stipulated in item 1 of Article 72 of the Fund Law
2. The funds managed by the Company may participate in the stock investment of the Beijing Stock Exchange in accordance with the provisions of their respective fund contracts provided that they comply with the investment objectives, investment strategies, investment scope, asset allocation ratio, risk return characteristics and relevant risk control indicators as agreed in the fund contracts.
3. When investing in the stocks of the Beijing Stock Exchange, the Company will, in accordance with the principle of prudence, maintain the consistency of the Fund's investment style and uphold liquidity risk management of the Fund.

Investment in the stocks of Beijing Stock Exchange will have the following investment risk, investors are advised to pay attention:

When the fund assets are invested in the stocks of the Beijing Stock Exchange, they will face the unique risks caused by the differences of investment targets, market systems and trading rules under the mechanism of Beijing Stock Exchange, including

but not limited to market risk, liquidity risk, credit risk, concentration risk, systemic risk, policy risk, etc. The Fund can choose to invest some of its fund assets in the stocks of Beijing Stock Exchange or choose not to invest its fund assets in the stocks of Beijing Stock Exchange at all, in accordance with its investment strategies or changes in market environment. Fund assets are not necessarily invested in the stocks of Beijing Stock Exchange.

The risks of investing in the stocks of Beijing Stock Exchange include:

① Market risk

The stocks of Beijing Stock Exchange focus on industries in the areas of new generation information technology, high-end equipment, new materials, new energy, energy conservation and environmental protection, biomedicine and other high-tech and specialized new industries. Most enterprises are start-up companies. There are uncertainties in the future profits, cash flow and valuation of enterprises, which are different from the traditional secondary market investment. The overall investment difficulty and risks peculiar to individual stock market may increase.

On the first day of listing, the daily price limit does not apply to the individual stocks on the Beijing stock exchange. On the second day of trading, stocks to be traded will not be allowed to rise or fall more than 30%. The fluctuation range of individual stocks was larger than that of other listed companies, and the market risk increased accordingly.

② Liquidity risk

The overall investor suitability requirements of the Beijing Stock Exchange is higher. Individual investors must have participated in the trading of securities for two years and have account balance of no less than RMB500,000, the participation of individual investors in the secondary market is relatively lower, and the lack of a diverse share ownership structure leads to poor liquidity. The assets in the fund's portfolio may not be realized in a timely manner and there exists other relevant liquidity risks.

③ Credit risk

The pilot registration-based IPO system of the Beijing Stock Exchange implements a strict delisting system for enterprises with poor operating conditions or false financial data, and there is a delisting risk for individual stocks of the Beijing Stock Exchange.

④ Concentration risk

Beijing Stock Exchange is a newly set up stock exchange. There are not too many companies available for investment in the initial stage. It is easy for investors to concentrate on a limited number of stocks. There may be high concentration in the market, and there is concentration risk as a whole.

⑤ Systemic risk

Listed companies of the Beijing Stock Exchange will be based on the current selection tier of the new third board, historically, the overall valuation is greatly affected by the policies stages, so the valuation of individual stocks of the Beijing Stock Exchange is highly relevant. When there is policies renewal or when the market performance is poor, the systemic risk will be more significant.

⑥ Policy risk

China's support and attention to high-tech, specialized and new enterprises will have a great impact on the enterprises of Beijing Stock Exchange, and changes in the international economic situation will also have a policy impact on the specialized and new industries and individual stocks of Beijing Stock Exchange.

The Company undertakes to manage and apply Fund assets with honesty, prudence and due diligence. However, it does not guarantee any profits or minimum return of the Fund. Investors should pay attention to the investment risk. Investors shall carefully read the fund contract, prospectus (update) and relevant business rules of each fund before handling fund subscription, dealings and other related businesses.

Hereby announce the above.

China Southern Asset Management Co., Ltd.

15 November 2021