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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.

**CICC FUND SERIES (the "Trust")
(previously known as "CICC ETF Series")**

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

CICC CSI Select 100 ETF

Stock Codes: 83093 (RMB counter) and 03093 (HKD counter)

CICC Bloomberg China Treasury 1-10 Years ETF

(previously known as "CICC Bloomberg Barclays China Treasury 1-10 Years ETF")

Stock Codes: 83079 (RMB counter) and 03079 (HKD counter)

ICBC CICC USD Money Market ETF

Stock Codes of the listed class of Units: 03011 (HKD counter) and 09011 (USD counter)

CICC Hong Kong Equity Fund

Stock Code: Not applicable

CICC HKD Money Market ETF

Stock Code of the listed class of Units: 03071 (HKD counter)

(each a "Sub-Fund", and collectively, the "Sub-Funds")

Dear Unitholders,

China International Capital Corporation Hong Kong Asset Management Limited, manager of the Trust and the Sub-Funds (the "**Manager**"), wishes to inform unitholders of the Trust and

the Sub-Funds the following amendments to the Sub-Funds, which will take effect on 8 October 2021 (the “**Effective Date**”) unless otherwise specified.

A. Material Scheme Changes

1. Change of investment strategy of ICBC CICC USD Money Market ETF and CICC HKD Money Market ETF regarding investment in reverse repurchase transactions

It is currently disclosed in the offering documents of (i) ICBC CICC USD Money Market ETF that it may enter into reverse repurchase transactions for up to 30% of its net asset value (“**NAV**”); and (ii) CICC HKD Money Market ETF that it will not enter into any reverse repurchase transactions.

With effect from the Effective Date, to give the Manager more flexibility to seek to better achieve the investment objective of the above Sub-Funds, especially in view of the recent downward trend in interest rates, the Manager proposes that each of these Sub-Funds may enter into reverse repurchase transactions, and the expected exposure to such transactions shall be between 0% to 50% of each of their respective NAV, subject to a maximum of 100% of each of their respective NAV, provided that the aggregate amount of cash provided to the same counterparty may not exceed 15% of each of their respective NAV. The Manager considers that unitholders of the above Sub-Funds may benefit from potential enhanced performance resulting from the income generated from such transactions.

Collateral received may only be cash and high quality money market investments subject to the credit quality, maturity and liquidity requirements as set out in the existing investment strategy of the above Sub-Funds pertaining to debt securities that may be invested by such Sub-Funds. The weighted average maturity and weighted average life of the collateral, together with other investments made by each of these Sub-Funds in accordance with their respective investment strategies, shall also not exceed the limits set out in these Sub-Funds’ respective existing investment strategies.

A counterparty to the reverse repurchase transactions entered into by the above Sub-Funds will be a financial institution subject to ongoing prudential regulation and supervision. It will be an independent counterparty approved by the Manager and is expected to have a minimum credit rating of BBB- or above (by Moody's or Standard & Poor's), or any other equivalent ratings by recognised credit rating agencies, or be a licensed corporation with the SFC or registered institution with the Hong Kong Monetary Authority. Subject to the above, there is no requirement on its country of origin. All the revenues arising from such transactions, net of direct and indirect expenses as reasonable and normal compensation for the services rendered in the context of such transactions, will be returned to the above Sub-Funds.

As a result of the foregoing change of investment strategy, ICBC CICC USD Money ETF may have greater exposure to and CICC HKD Money ETF may become subject to the following risk factor:

“Risks relating to reverse repurchase transactions – In the event of the failure of the counterparty with which cash has been placed, the Sub-Fund may suffer loss as there may be delay in recovering cash placed out or difficulty in realising collateral or proceeds from the sale of the collateral may be less than the cash placed with the counterparty due to inaccurate pricing of the collateral or market movements.”

2. Removal of single management fee structure of CICC Hong Kong Equity Fund

CICC Hong Kong Equity Fund currently employs a single management fee structure, with this Sub-Fund paying all of its fees, costs and expenses as a single fixed Management Fee of 1.25% per annum of the NAV of this Sub-Fund. Fees and expenses taken into account in determining the Management Fee include, but are not limited to, the Manager's fee, the Trustee's fee, the Registrar's fees, fees and expenses of the auditors, securities transaction fee, and ordinary out-of-pocket expenses incurred by the Manager or the Trustee or its agents. Since this Sub-Fund was launched, fees and expenses of this Sub-Fund exceeding the above fixed fee have been borne by the Manager.

Given this Sub-Fund has been launched for more than 12 months and that the fund size and expenses of this Sub-Fund have been stable since the launch, the Manager considers this Sub-Fund to have been and will continue for the foreseeable future to be cost efficient and economically viable on an ongoing basis, and thus it proposes to change the fee structure of this Sub-Fund with effect from the Effective Date by removing the single management fee structure and this Sub-Fund will be subject to the following fees:

- (a) Management Fee of 1.25% per annum of its NAV; and
- (b) Trustee Fee of up to 1.0% per annum of its NAV,

both of which will be accrued daily and calculated as at each Dealing Day and payable out of this Sub-Fund monthly in arrears in HKD.

In addition, other fees and expenses such as the Registrar's fees, fees and expenses of the auditors, securities transaction fee, and ordinary out-of-pocket expenses incurred by the Manager or the Trustee or its agents may also be separately payable out of and borne by this Sub-Fund. As such, any fees and expenses of the above Sub-Fund exceeding the current fixed Management Fee as disclosed above will no longer be borne by the Manager with effect from the Effective Date.

As a result of this change, the fees and expenses payable by this Sub-Fund may exceed 1.25% per annum of the NAV of this Sub-Fund, and the Manager estimates that the ongoing charges figure of this Sub-Fund over a year will be 1.60% of its NAV. This figure represents the Manager's best estimate of the sum of the estimated ongoing charges over a 12-month period expressed as a percentage of the estimated average NAV over the same 12-month period.

3. Implications of Changes

Other than the changes set out in sections 1 and 2 above of Part A of this Announcement, there will be no change in the operation or manner in which each of the ICBC CICC USD Money Market ETF, CICC HKD Money Market ETF and CICC Hong Kong Equity Fund is being managed. These changes will not materially prejudice the existing unitholders' rights or interests.

Other than the change set out in section 2 above of Part A of this Announcement above, there will be no change in the fee level payable by the Sub-Funds following the implementation of the above changes.

4. Costs

The costs and/or expenses incurred in respect of the changes set out in section 1 above of Part A of this Announcement are approximately HKD80,000 which will be borne by the ICBC CICC USD Money Market ETF and CICC HKD Money Market ETF pro rata to their respective NAV.

The costs and/or expenses incurred in respect of the changes set out in section 2 above of Part A of this Announcement are approximately HKD100,000 which will be borne by the CICC Hong Kong Equity Fund.

5. Unitholders Choices

Unitholders of the Listed Class Units of the ICBC CICC USD Money Market ETF and CICC HKD Money Market ETF may sell their units on the SEHK in accordance with the usual trading arrangements during the trading hours of the SEHK.

Unitholders of the Unlisted Class Units of the ICBC CICC USD Money Market ETF, CICC HKD Money Market ETF and CICC Hong Kong Equity Fund may, in accordance with the redemption procedures set out in the prospectus of the Trust and the Sub-Funds ("**Prospectus**"), redeem their investment free of charge at any time before the Effective Date since such Unlisted Class Units of these Sub-Funds are not currently subject to any redemption fee.

B. Immaterial Changes, Clarifications and Enhancement of Disclosures

1. Change of investment strategy of ICBC CICC USD Money Market ETF and CICC HKD Money Market ETF to allow investment in other money market funds

Currently, it is disclosed in the investment strategy of ICBC CICC USD Money Market ETF and CICC HKD Money Market ETF that they will not invest in other collective investment schemes.

Having considered the prevailing market conditions, the Manager wishes to enhance flexibility in investment in money market funds, and proposes that with effect from the date of this Announcement, each of the above Sub-Funds may invest up to 10% of its NAV in other money market funds authorised by the SFC¹.

2. Clarification on the investment strategy of ICBC CICC USD Money Market ETF in respect of non-USD-denominated and settled investments

ICBC CICC USD Money Market ETF seeks to achieve a return in USD in line with prevailing money market rates, with primary considerations of both capital preservation and liquidity, by investing primarily (i.e. not less than 70% of its NAV) in USD-denominated and settled short-term deposits and high quality money market investments issued by governments, quasi-governments, international organisations and financial institutions.

From the date of this Announcement, the investment strategy will be enhanced such that the ICBC CICC USD Money Market ETF may also invest less than 30% of its NAV in non-USD-

¹ *SFC authorization is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.*

denominated and settled short-term deposits and high quality money market instruments. The Manager may hedge any non-USD-denominated and settled investments into USD to manage any material currency risk.

3. Clarification on the credit quality of debt securities invested by ICBC CICC USD Money Market ETF and CICC HKD Money Market ETF

It is currently disclosed that ICBC CICC USD Money Market ETF and CICC HKD Money Market ETF will invest in debt securities rated investment grade or above by an independent rating agency, e.g. Fitch, Moody's, Standard and Poor's. For this purpose, if the relevant debt security does not itself have a credit rating, then reference can be made to the credit rating of the issuer of such debt security.

It is clarified from the date of this Announcement that, in investing in debt securities, if the relevant debt security does not itself have a credit rating, then reference can be made to the credit rating of the issuer or guarantor of such debt security.

4. Extension of the Dealing Deadline and Cleared Funds Deadline for subscription applications for Unlisted Class Units of CICC Hong Kong Equity Fund

Currently, the Dealing Deadline for Unlisted Class Units of CICC Hong Kong Equity Fund is 12:00 noon (Hong Kong time) on each Dealing Day, and investors who subscribe for such Units are required to provide payment in full in cleared funds for such Units by 12:00 noon (Hong Kong time) on the Dealing Day on which the subscription application is made (i.e. the Cleared Funds Deadline). If payment in full in cleared funds have not been received by the Dealing Day immediately after the Dealing Day on which payment for such Units is due, the Manager has (without prejudice to any claim in respect of the failure of the applicant to make payment when due on such next Dealing Day) the absolute discretion to reject such application and no Units in respect of such application will be issued.

From 17 September 2021, the Dealing Deadline will be extended to 4:00 p.m. (Hong Kong time) on each Dealing Day and the Cleared Funds Deadline will also be extended to 4:00 p.m. (Hong Kong time) on the Dealing Day on which the subscription application is made, such that subscription monies in cleared funds must be received by such Cleared Funds Deadline, unless otherwise agreed by the Manager. This Sub-Fund may rely upon applications received on a Dealing Day to issue Units to investors according to such application orders made by investors and invest the expected application amounts. In any event, if payment is not cleared within three Business Days following the relevant Dealing Day, or such other time as the Manager shall determine and notify to the relevant applicant, the Manager reserves the right to (without prejudice to any claim in respect of the failure of the applicant to make payment when due) cancel the transaction.

Upon such cancellation, the relevant Unlisted Class Units shall be deemed never to have been issued and the applicant shall have no right to claim in respect thereof against the Manager or the Trustee, provided that: (i) no previous valuations of this Sub-Fund shall be re-opened or invalidated as a result of the cancellation of such Unlisted Class Units; (ii) the Manager and the Trustee may charge the applicant a cancellation fee to represent the administrative costs involved in processing the application for such Unlisted Class Units from such applicant; and (iii) the Manager and the Trustee may require the applicant to pay (for the account of this Sub-Fund in respect of each Unlisted Class Unit so cancelled) the amount (if any), by which the Subscription Price of each such Unlisted Class Unit exceeds the Redemption Value of such

Unlisted Class Unit on the day of cancellation (if such day is a Dealing Day for the relevant Unlisted Class) or the immediately following Dealing Day plus interest on such amount until receipt of such payment by the Trustee.

5. Elaboration of investment strategy of CICC Hong Kong Equity Fund in respect of investments in securities issued in the Mainland China market

It is currently disclosed that the total exposure of the CICC Hong Kong Equity Fund to securities issued or traded outside of Hong Kong will be less than 30% of this Sub-Fund's NAV. Such securities, inter alia, include but are not limited to equities (e.g. in the case of China A Shares, through Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and/or indirectly by way of funded swap transactions or access products (e.g. China A-share access products) or funds investing in China A-shares).

From the date of this Announcement, the investment strategy of this Sub-Fund will be elaborated to disclose that its aggregate exposure to direct and indirect investments in securities issued in the Mainland China market, including but not limited to China A Shares and such other financial instruments permitted under applicable Mainland China regulations will not be more than 20% of its NAV.

6. Other updates

The Prospectus and the product key facts statements of the relevant Sub-Funds (as applicable) will also be updated to reflect other administrative, miscellaneous and editorial amendments. These include, among other things, the following:

- update of index information, list of participating dealers and market makers of the relevant Sub-Funds; and
- insertion of disclosure relating to the addition of Class R (RMB) Units to CICC Hong Kong Equity Fund, which will be offered only to investors in Mainland China for subscription after the relevant approval of the Chinese Securities Regulatory Commission has been obtained for distribution in Mainland China under the Mainland-Hong Kong Mutual Recognition of Funds initiative. For the avoidance of doubt, such unit class will not be offered in Hong Kong.

7. Implications of Changes

In respect of changes set out in sections 1 to 5 above of Part B of this Announcement, the Manager considers that:

- such changes do not amount to material changes to the ICBC CICC USD Money Market ETF, CICC Hong Kong Equity Fund and CICC HKD Money Market ETF;
- there will be no material change or increase in the overall risk profile of the ICBC CICC USD Money Market ETF, CICC Hong Kong Equity Fund and CICC HKD Money Market ETF following such changes; and
- the changes do not have a material adverse impact on unitholders' rights or interests (including the unitholders' ability in exercising their rights).

C. General

Unless otherwise stated, capitalised terms in this Announcement have the same meanings as defined in the Prospectus.

The above changes will be reflected in the revised Prospectus and the product key facts statements of the relevant Sub-Funds (as applicable) which will be published on the Manager's website at www.cicc.com (this website has not been reviewed by the SFC) and SEHK's website at www.hkex.com.hk on or around the Effective Date. The Trust Deed will also be amended by way of a supplemental deed to provide for relevant change(s). Copies of the Trust Deed, as amended, will be available for inspection free of charge at any time during normal business hours on any day (excluding Saturdays, Sundays and public holidays) at the office of the Manager (see address below).

If you have any queries or require further information in relation to any aspect of this Announcement, please contact the Manager at 29/F, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong or on +852 2872-2000 during normal office hours.

China International Capital Corporation Hong Kong Asset Management Limited
as Manager of the Trust and the Sub-Funds

8 September 2021