This notice contains important information that requires your immediate attention. Should you have any queries, you are recommended to seek independent professional advice.

The following change(s) in investment choice(s) relate(s) to the "Premier-Choice Series" plans, including Premier-Choice ULife InvestPlan, Premier-Choice Flexi, Premier-Choice Flexi Plus, Premier-Choice InvestPlan and Premier-Choice Plus InvestPlan.

Various Changes of the Underlying Fund of the Investment Choice
– Value Partners Classic Fund - "C" Unit (VPCFU)(the "Investment Choice")

As advised by Value Partners Limited, there will be several changes to Value Partners Classic Fund (the "Underlying Fund"), the underlying fund corresponding to the Investment Choice, which are described below:

1. Change of Investment Objective and Policy - Direct Exposure to A Shares through Shanghai-Hong Kong Stock Connect

The investment policy of the Underlying Fund will be revised to provide flexibility to invest directly in A Shares via the Shanghai-Hong Kong Stock Connect with effect from February 23, 2015 ("Effective Date").

As a result of the above change of the Underlying Fund, the investment objective and strategy of the Investment Choice will be updated (as **bold** below) with effect from the Effective Date.

Value Partners Classic Fund - "C" Unit (VPCFU)
The investment objective of the underlying fund is to achieve consistent superior returns through an investment discipline that places emphasis on the fundamental value of potential investments. The manager seeks to select stocks which it believes are being traded at deep discounts to their intrinsic values.

The underlying fund will concentrate on investing in the markets of the Asia Pacific region. There are no fixed geographical or sector weightings in the allocation of assets in the underlying fund. The manager does not attempt to follow benchmark indices in determining the geographical or sectoral weighting of the underlying fund. The manager may make large investments in a relatively small number of stocks.

The manager may also place a substantial portion of the portfolio in cash or cash equivalents, and may invest in any collective investment schemes (including those managed or offered by the manager or its Connected Persons (as defined in the section headed "Conflicts of Interest" of the underlying fund explanatory memorandum)). The underlying fund may also invest in commodities, futures, options, warrants, equity-linked notes and other financial instruments.

The underlying fund may have direct exposure to certain eligible A shares via the Shanghai-Hong Kong Stock Connect ("Stock Connect"). The Stock Connect is a securities trading and clearing links programme with an aim to achieve mutual stock market access between the People's Republic of China ("PRC") and Hong Kong. In the initial phase, the Shanghai Stock Exchange ("SSE")-listed A shares eligible for trading by Hong Kong and overseas investors under the Stock Connect include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed A shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on The Stock Exchange of Hong Kong Limited ("SEHK"), except the following:

- **SSE-listed shares which are not traded in RMB; and**
- **SSE-listed shares which are included in the "risk alert board".**

It may **also** indirectly invest in A shares ~~**(subject to a maximum exposure of 30 per cent. of its total net asset value ("NAV"))**~~ through:

- China A Shares Access Products ("CAAPs") (such as participatory notes, being listed or unlisted derivative instruments issued by a third party ("CAAP Issuer") which represents an obligation of the CAAP Issuer to pay to the underlying fund an economic return equivalent to holding the underlying A shares); and/or
- Collective investment schemes directly investing in A shares through qualified foreign institutional investors ("QFIIs") or Renminbi qualified foreign institutional investors ("RQFIIs")("A Shares CIS").

A shares are shares listed on the Shanghai Stock Exchange and the Shenzhen Stock Exchange and traded in Renminbi. ~~**The maximum exposure stated above may be changed from time to time; investors will be notified if the limit is to be changed.**~~

The exposure to A shares through the Stock Connect, CAAPs and A Shares CIS is subject to a maximum exposure of 30 per cent. of the underlying fund's total net asset value ("NAV").

The underlying fund does not currently have direct access to A shares through QFIIs or RQFIIs.

The value of the underlying fund's holding of securities issued by any single issuer will not exceed 10 per cent. of the total NAV of the underlying fund. It will not use securitized and structured finance instruments such as collateralised debt obligations, mortgage backed securities, asset-backed securities and credit default swaps.

Remarks:

1. There are risks of investing in other collective investment schemes, risks associated with **the Stock Connect,** CAAPs and A Shares CIS. For details of the risks and the performance charge, please refer to the explanatory memorandum of the respective underlying fund, which is made available by the Company.
2. This investment choice is not applicable to Cayman Islands residents.

2. Other Matters Relating to the Underlying Fund

The following amendments will be reflected in the offering document of the Underlying Fund, with effect from Effective Date:

- Amendments to risk factors
- Amendments to PRC Taxation

You should refer to the relevant offering documents and the notice to shareholders of the underlying fund(s) of the above investment choice(s), which are made available by MassMutual Asia Ltd. upon request, or visit our website (www.massmutualasia.com) to carefully read the details of the relevant documents in relation to the above change(s).

If you have selected the above investment choice(s) under your insurance policy and if for any reason you wish to change to other investment choice(s), you may switch your investment choice(s) to other available investment choice(s) provided by your policy. Currently, no switching charge and bid-offer spread apply to the investment choices. For details, please refer to Investment Choice Brochure or contact MassMutual Asia Ltd. - Customer Service Hotline at (852) 2919 9797 (Hong Kong)/ (853) 2832 2622 (Macau).

Value Partners
Investing through discipline

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Important

This document is important and requires your immediate attention. If you are in any doubt about the contents of this document, you should seek independent professional advice.

All capitalized terms used herein but not otherwise defined will have the same meanings as defined in the Explanatory Memorandum (as defined below).

6 February 2015

NOTICE TO UNITHOLDERS – VALUE PARTNERS CLASSIC FUND (the "Fund")

Summary

(A) Change of Investment Objective and Policy
The investment policy of the Fund will be revised to allow the Fund to invest directly in A shares through the Shanghai-Hong Kong Stock Connect, changes which will be made to the Explanatory Memorandum are as follows:

- to change the investment objective and policy with a maximum exposure to A shares (via direct and indirect channels) of not more than 30% of NAV of the Fund;
- to include information relating to the Shanghai-Hong Kong Stock Connect, including the trading quota, settlement and custody arrangement, participation in corporate actions and shareholders' meetings, trading fees and taxes;
- to add new risk factors associated with the Shanghai-Hong Kong Stock Connect, including quota limitations, suspension risk, operational risk, restrictions on selling imposed by front-end monitoring, recalling of eligible stocks, clearing and settlement risk, participation in corporate actions and shareholders' meetings, regulatory risk and taxation risk; and
- to update the PRC taxation disclosure.

(B) PRC Taxation
In light of a notice on corporate income tax and capital gains in relation to QFIIs and RQFIIs recently issued by the PRC regulatory authorities, the Manager will not make withholding income tax provision for PRC sourced capital gains from indirect A shares investments through CAAPs realized from 17 November 2014 onwards. The PRC taxation disclosure in the Explanatory Memorandum will be amended to reflect the foregoing change.

(C) Change of Telephone Number
The telephone number for contacting the Manager has been changed to (852) 2143 0688.

Dear Unitholders,

Addendum to Explanatory Memorandum and Product Key Facts Statement

We are writing to inform you that the Explanatory Memorandum of the Fund dated 15 October 2009, as amended by the notices dated 15 December 2009, 22 December 2009, 24 December 2009 and 26 August 2013, and the addenda dated 22 March 2010, 25 June 2011, 22 November 2011 and 7 March 2014 ("**Explanatory Memorandum**") will be updated by way of an addendum ("**Addendum**") to reflect the following changes.

(A) Change of Investment Objective and Policy – Direct Exposure to A Shares through Shanghai-Hong Kong Stock Connect

The investment policy of the Fund will be revised to provide flexibility to invest directly in A shares via the Shanghai-Hong Kong Stock Connect.

The Shanghai-Hong Kong Stock Connect is a securities trading and clearing linked programme developed by Hong Kong Exchanges and Clearing Limited ("**HKEx**"), Shanghai Stock Exchange ("**SSE**") and China Securities Depository and Clearing Corporation Limited ("**ChinaClear**"), with an aim to achieve mutual stock market access between mainland China and Hong Kong.

The Shanghai-Hong Kong Stock Connect comprises a Northbound Trading Link and a Southbound Trading Link. Under the Northbound Trading Link, Hong Kong and overseas investors (including the Fund), through their Hong Kong brokers and a securities trading service company to be established by The Stock Exchange of Hong Kong Limited ("**SEHK**"), may be able to trade eligible A shares listed on SSE by routing orders to SSE.

Hong Kong and overseas investors will be able to trade certain stocks listed on the SSE market (i.e. "**SSE Securities**"). These include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed A shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except the following:

(a) SSE-listed shares which are not traded in RMB; and
(b) SSE-listed shares which are included in the "risk alert board".

Please note that the A shares traded through Shanghai-Hong Kong Stock Connect are issued in scripless form, so investors will not hold any physical A shares. Hong Kong and overseas investors who have acquired SSE Securities through Northbound trading should maintain the SSE Securities with their brokers' or custodians' stock accounts with CCASS (the Central Clearing and Settlement System operated by Hong Kong Securities Clearing Company Limited ("**HKSCC**") for the clearing of securities listed or traded on SEHK).

It is expected that the Fund will invest not more than 30% of its net asset value in eligible A shares via the Shanghai-Hong Kong Stock Connect.

The amendments which will be made to the investment policy of the Fund are shown as bold and underlined:

Existing investment policy	Revised investment policy
The Fund may indirectly invest in A shares (subject to a maximum exposure of 30 per cent. of the Fund's total net asset value) through: • China A Shares Access Products ("**CAAPs**") (such as participatory notes, being listed or unlisted derivative instruments issued by a third party ("**CAAP Issuer**") which represents an obligation of the CAAP Issuer to pay to the Fund an economic return equivalent to holding the underlying A shares); and/or • Collective investment schemes (including those managed or offered by the Manager or its Connected Persons) directly investing in A shares through qualified foreign institutional investors ("**QFIIs**") or Renminbi qualified foreign institutional investors ("**RQFIIs**") ("**A Shares CIS**"). A shares are shares listed on the Shanghai	**The Fund may have direct exposure to certain eligible A shares via the Shanghai-Hong Kong Stock Connect ("Stock Connect") (as further described in the section under the heading "Shanghai-Hong Kong Stock Connect" below).** The Fund may **also** indirectly invest in A shares ~~**(subject to a maximum exposure of 30 per cent. of the Fund's total net asset value)**~~ through: • China A Shares Access Products ("**CAAPs**") (such as participatory notes, being listed or unlisted derivative instruments issued by a third party ("**CAAP Issuer**") which represents an obligation of the CAAP Issuer to pay to the Fund an economic return equivalent to holding the underlying A shares); and/or • Collective investment schemes (including those managed or offered by the Manager or its Connected Persons) directly investing in A shares through qualified

Stock Exchange and the Shenzhen Stock Exchange and traded in Renminbi. The maximum exposure stated above may be changed from time to time; unitholders will be notified one month in advance if the limit is to be changed.	foreign institutional investors ("**QFIIs**") or Renminbi qualified foreign institutional investors ("**RQFIIs**") ("**A Shares CIS**"). A shares are shares listed on the Shanghai Stock Exchange and the Shenzhen Stock Exchange and traded in Renminbi. **The exposure to A shares through the Stock Connect, CAAPs and A Shares CIS is subject to a maximum exposure of 30 per cent. of the Fund's total net asset value.** The maximum exposure ~~**stated above**~~ may be changed from time to time~~**; unitholders will be notified one month in advance if the limit is to be changed**~~.

The above change will take effect on 23 February 2015 ("**Effective Date**").

Given the change of the investment policy of the Fund will only amount to an ancillary direct investment in A shares (i.e. not more than 30%) and there is no increase in the Fund's aggregate direct and indirect exposure to A shares (i.e. not more than 30%), we believe that the change of the investment policy of the Fund does not amount to a material change to the Fund and there will be no increase in the overall risk profile of the Fund following the change. As such, the Securities and Futures Commission ("**SFC**")'s prior approval is not required for such change.

In view that one month's prior written notice to Unitholders is not required for any immaterial changes in the Fund's policy on investment in A shares, the relevant disclosure will be removed from the Explanatory Memorandum with effect from the Effective Date. For the avoidance of doubt, any changes in the investment objective and/or policy of the Fund which are not immaterial changes will be subject to the requirements of the Code on Unit Trusts and Mutual Funds issued by the SFC.

Please refer to the latest Explanatory Memorandum and Addendum for further information relating to the Shanghai-Hong Kong Stock Connect, including the, trading quota, settlement and custody arrangement, participation in corporate actions and shareholders' meetings and trading fees and taxes.

Risks associated with the Shanghai-Hong Kong Stock Connect

Please note that investments through the Shanghai-Hong Kong Stock Connect are subject to additional risks, namely, quota limitations, suspension risk, operational risk, restrictions on selling imposed by front-end monitoring, recalling of eligible stocks, clearing and settlement risk, participation in corporate actions and shareholders' meetings, regulatory risk and taxation risk.

Further, the Fund's investments through Northbound trading under Shanghai-Hong Kong Stock Connect will not be covered by Hong Kong's Investor Compensation Fund.

However, since the Fund will invest not more than 30% of its net asset value in eligible A shares via the Shanghai-Hong Kong Stock Connect from the Effective Date, there will not be any material change or increase in the overall risk profile of the Fund following the change.

Please refer to the Addendum and the latest Explanatory Memorandum (including Key Facts Statement) of the Fund for further information on the risks involved.

(B) PRC Taxation

a) A shares except those via Stock Connect

Prior to 17 November 2014, certain CAAP Issuers have indicated their intention to withhold an amount equal to 10% of any gains representing the PRC tax in respect of any capital gains which would be payable on the actual sale of the underlying A shares linked to the CAAPs issued to the Fund. Similarly, for direct investments in A shares by A Shares CIS, managers of A Shares CIS may accrue for the 10% withholding tax. If no withholding was made by the CAAP Issuers, the Manager has made withholding income tax provisions for PRC sourced capital gains from indirect A shares investments realized prior to 17 November 2014 at a rate of 10%. The Manager has also made tax provisions in respect of unrealized capital gains derived from indirect A shares investments through CAAPs prior to 17 November 2014 at a rate of 10%.

The Ministry of Finance of the PRC (the "**MoF**"), the State of Administration of Taxation of the PRC ("**SAT**") and the China Securities Regulatory Commission (the "**CSRC**") issued the "Notice on the issues of temporary exemption from the imposition of Corporate Income Tax on capital gains derived from the transfer of PRC equity investment assets such as PRC domestic stocks by QFII and RQFII" Caishui [2014] No. 79 on 14 November 2014 (the "**Notice No.79**"). Notice No.79 states that (a) PRC Corporate Income Tax ("**CIT**") will be imposed on gains obtained by Qualified Foreign Institutional Investors ("**QFII**") and Renminbi Qualified Foreign Institutional Investors ("**RQFII**") from the transfer of PRC equity investment assets (including PRC domestic stocks) realized prior to 17 November 2014 in accordance with laws; and (b) QFIIs and RQFIIs (without an establishment or place in the PRC or having an establishment in the PRC but the income so derived in China is not effectively connected with such establishment) will be temporarily exempt from PRC CIT on gains derived from the trading of PRC equity investment (including A shares) effective from 17 November 2014.

In light of the Notice No. 79 -

(a) the Manager has determined to reverse the tax provision made prior to 17 November 2014 on the Fund's unrealized capital gains derived from indirect A shares investments through CAAPs. This will have a positive impact on the net asset value of the Fund. For the purpose of illustration, as at 17 November 2014, the positive impact on the net asset value of the Fund will be approximately 0.13%;

(b) the CAAP Issuers have indicated that no withholding is made by them in respect of any realized gains which would be payable on the actual sale of the underlying A shares linked to the CAAPs issued to the Fund effective from 17 November 2014. Similarly, for direct investments in A shares by certain A Shares CIS, managers of such A Shares CIS may no longer accrue any provision for the 10% withholding tax referred to above from 17 November 2014 onwards; and

(c) the Manager will not make any tax provision for realized and unrealized capital gains derived from indirect A shares investments through CAAPs from 17 November 2014 onwards.

b) A shares via Stock Connect

Pursuant to the "Notice about the tax policies related to the Shanghai-Hong Kong Stock Connect" (Caishui [2014] No.81) ("Notice No.81") promulgated by the MoF, the SAT and the CSRC on 14 November 2014, dividends received by Hong Kong and overseas investors (including the Fund) from A shares investments via Stock Connect will be subject to 10% withholding income tax and the company distributing the dividend has the withholding obligation. If the recipient of the dividend is entitled to a lower treaty rate, it can apply to the tax bureau in-charge of the payer for a refund.

Pursuant to Notice No. 81, PRC CIT will be temporarily exempted on capital gains derived by Hong Kong and overseas investors (including the Fund) on the trading of A shares through the Stock Connect. **Based on Notice No. 81, no provision for gross realized or unrealized capital gains derived from trading of A shares via Stock Connect is made by the Manager on behalf of the**

Fund.

Risk factors

The PRC tax laws, regulations and practices in relation to QFII, including the Notices No.79 and No. 81 are constantly changing, and they may be changed with retrospective effect. The Manager will closely monitor any further guidance by the relevant PRC tax authorities and adjust the withholding policy of the Fund accordingly, taking into account independent professional tax advice. The Manager will act in the best interest of the Fund at all times.

The disclosures in the Explanatory Memorandum on PRC taxation will be amended to reflect, inter alia, the change in the PRC tax provisioning policy in respect of investment in A shares via CAAPs with effect from 17 November 2014 and the PRC tax treatment of investment in A shares via Stock Connect.

(C) Change of Telephone Number

With immediate effect, the telephone number for contacting the Manager has been changed to (852) 2143 0688.

The latest Explanatory Memorandum and updated Product Key Facts Statement will be available on our website (www.valuepartners.com.hk) [1] and will be available for your inspection at the Manager's office during normal business hours (except on Saturdays, Sundays and public holidays) in due course. The Addendum is expected to be available on or around the Effective Date through the aforementioned means.

Thank you for your continued support. If you have any questions relating to the above, please contact our Fund Investor Services team at (852) 2143 0688 or email to FIS@vp.com.hk.

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 in this Notice misleading as at the date of issuance.

Value Partners Limited

[1] This website has not been reviewed or authorized by the SFC.

VALUE PARTNERS CLASSIC FUND (the "Fund")
ADDENDUM

Important

*The Fund has been authorised as a collective investment scheme by the Securities and Futures Commission of Hong Kong ("**SFC**"). SFC authorisation 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 the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors. The SFC takes no responsibility for the accuracy of any of the statements made or opinions expressed in this Addendum.*

If you are in doubt about the contents of this Addendum, you should seek independent professional advice.

*This Addendum forms part of and should be read in conjunction with the Explanatory Memorandum of the Fund dated 15 October 2009, as amended by the notices dated 15 December 2009, 22 December 2009, 24 December 2009 and 26 August 2013, and the addenda dated 22 March 2010, 25 June 2011, 22 November 2011 and 7 March 2014 ("**Explanatory Memorandum**"). The changes made to the Explanatory Memorandum by this Addendum shall take effect on 23 February 2015, unless otherwise stated herein.*

All capitalized terms used in this Addendum have the same meaning as in the Explanatory Memorandum, unless otherwise defined herein. Value Partners Limited, the Manager of the Fund, accepts full responsibility for the accuracy of the information contained in this Addendum 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 in this Addendum misleading as at the date of issuance.

A. Change in Investment Objectives and Policies

With immediate effect, the investment policy of the Fund has been amended to allow the Fund to have direct exposure to certain eligible A shares via the Shanghai-Hong Kong Stock Connect. Accordingly, the Explanatory Memorandum has been revised to reflect the foregoing change and the associated risks.

1. The paragraph after the third paragraph under the heading "*Investment Objectives and Policies*" on page 11 of the Explanatory Memorandum is amended in the manner as marked-up below:

   "The Fund may have direct exposure to certain eligible A shares via the Shanghai-Hong Kong Stock Connect ("**Stock Connect**") (as further described in the section under the heading "Shanghai-Hong Kong Stock Connect" below).

   The Fund may also indirectly invest in A shares ~~(subject to a maximum exposure of 30 per cent. of the Fund's total net asset value)~~ through:

   - China A Shares Access Products ("**CAAPs**") (such as participatory notes, being listed or unlisted derivative instruments issued by a third party ("**CAAP Issuer**") which represents an obligation of the CAAP Issuer to pay to the Fund an economic return equivalent to holding the underlying A shares); and/or
   - Collective investment schemes (including those managed or offered by the Manager or its Connected Persons) directly investing in A shares through qualified foreign institutional investors ("**QFIIs**") or Renminbi qualified foreign institutional investors ("**RQFIIs**") ("**A Shares CIS**").

A shares are shares listed on the Shanghai Stock Exchange and the Shenzhen Stock Exchange and traded in Renminbi.

The exposure to A shares through the Stock Connect, CAAPs and A Shares CIS is subject to a maximum exposure of 30 per cent. of the Fund's total net asset value. ~~The maximum exposure stated above may be changed from time to time; unitholders will be notified one month in advance if the limit is to be changed~~"

2. The following new section is inserted after the section under the heading "*Investment Objectives and Policies*" on page 11 of the Explanatory Memorandum:

"**Shanghai-Hong Kong Stock Connect**

The Stock Connect is a securities trading and clearing linked programme developed by Hong Kong Exchanges and Clearing Limited ("**HKEx**"), Shanghai Stock Exchange ("**SSE**") and China Securities Depository and Clearing Corporation Limited ("**ChinaClear**"), with an aim to achieve mutual stock market access between mainland China and Hong Kong.

The Stock Connect comprises a Northbound Trading Link and a Southbound Trading Link. Under the Northbound Trading Link, Hong Kong and overseas investors (including the Fund), through their Hong Kong brokers and a securities trading service company to be established by The Stock Exchange of Hong Kong Limited ("**SEHK**"), may be able to trade eligible A shares listed on SSE by routing orders to SSE.

Eligible securities

Hong Kong and overseas investors will be able to trade certain stocks listed on the SSE market (i.e. "**SSE Securities**"). These include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed A shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except the following:

- SSE-listed shares which are not traded in RMB; and
- SSE-listed shares which are included in the "risk alert board".

It is expected that the list of eligible securities will be subject to review.

Trading quota

Trading under Stock Connect will be subject to a maximum cross-boundary investment quota ("**Aggregate Quota**") together with a daily quota ("**Daily Quota**"). Northbound trading will be subject to a separate set of Aggregate and Daily Quota.

The Aggregate Quota caps the absolute amount of fund inflow into the PRC under Northbound trading. The Northbound Aggregate Quota is currently set at RMB300 billion.

The Daily Quota limits the maximum net buy value of cross-boundary trades under Shanghai-Hong Kong Stock Connect each day. The Northbound Daily Quota is currently set at RMB13 billion.

SEHK will monitor the quota and publish the remaining balance of the Northbound Aggregate Quota and Daily Quota at scheduled times on the HKEx's website.

Value Partners — Investing through discipline

Settlement and custody

The Hong Kong Securities Clearing Company Limited ("**HKSCC**"), a wholly-owned subsidiary of HKEx, will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by Hong Kong market participants and investors.

The A shares traded through Stock Connect are issued in scripless form, so investors will not hold any physical A shares. Hong Kong and overseas investors who have acquired SSE Securities through Northbound trading should maintain the SSE Securities with their brokers' or custodians' stock accounts with CCASS (the Central Clearing and Settlement System operated by HKSCC for the clearing securities listed or traded on SEHK).

Corporate actions and shareholders' meetings

Notwithstanding the fact that HKSCC does not claim proprietary interests in the SSE Securities held in its omnibus stock account in ChinaClear, ChinaClear as the share registrar for SSE listed companies will still treat HKSCC as one of the shareholders when it handles corporate actions in respect of such SSE Securities.

HKSCC will monitor the corporate actions affecting SSE Securities and keep the relevant brokers or custodians participating in CCASS ("**CCASS participants**") informed of all such corporate actions that require CCASS participants to take steps in order to participate in them.

SSE-listed companies usually announce their annual general meeting / extraordinary general meeting information about one month before the meeting date. A poll is called on all resolutions for all votes. HKSCC will advise CCASS participants of all general meeting details such as meeting date, time, venue and the number of resolutions.

Trading fees

In addition to paying trading fees and stamp duties in connection with A share trading, the Fund may be subject to new fees arising from trading of A shares via the Stock Connect which are yet to be determined and announced by the relevant authorities.

Investor compensation

The Fund's investments through Northbound trading under Stock Connect will not be covered by Hong Kong's Investor Compensation Fund.

Hong Kong's Investor Compensation Fund is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong.

Since default matters in Northbound trading via Stock Connect do not involve products listed or traded in SEHK or Hong Kong Futures Exchange Limited, they will not be covered by the Investor Compensation Fund.

On the other hand, since the Fund is carrying out Northbound trading through securities brokers in Hong Kong but not PRC brokers, therefore they are not protected by the China Securities Investor Protection Fund (中國投資者保護基金) in the PRC.

Further information about the Stock Connect is available online at the website:

http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm"

3. The second paragraph under the risk factor headed "Liquidity Risk" on page 13 of the Explanatory Memorandum is amended in the manner as marked-up below:

   "A shares may be subject to trading bands which restrict increases and decreases in the trading price. If the trading price of any A shares has increased or decreased to the extent beyond the trading band limit during the day, trading in the A shares on the relevant stock exchange may be suspended. The Fund if investing through the Stock Connect, CAAP Issuers and A Shares CIS will be prevented from trading ~~underlying~~ A shares when they hit the trading band limit. If this happens on a particular trading day, the Fund, CAAP Issuers and A Shares CIS may be unable to trade A shares. As a result, the liquidity of A shares, the CAAPs and A Shares CIS may be adversely affected. This may in turn affect the value of the Fund's investments."

4. The risk factor headed "PRC Tax Risk" of the Explanatory Memorandum shall be deleted in its entirety and replaced with the following:

   "***PRC Tax Risk***

   a) A shares except those via Stock Connect

   Dividends

   Under the PRC Corporate Income Tax Law of the PRC ("**CITL**") and its detailed implementation rules, dividends derived from indirect A shares investments by the Fund are subject to PRC withholding income tax ("**WIT**") at a rate of 10 per cent., unless a specific exemption or reduction is available.

   Capital gains

   The Ministry of Finance of the PRC (the "**MoF**"), the State Administration of Taxation of the PRC ("**SAT**") and the China Securities Regulatory Commission (the "**CSRC**") issued the "Notice on the temporary exemption of Corporate Income Tax on capital gains derived from the transfer of PRC equity investment assets such as PRC domestic stocks by QFII and RQFII" Caishui [2014] No.79 on 14 November 2014 (the "Notice No. 79"). Notice No. 79 states that (a) PRC Corporate Income Tax ("**CIT**") will be imposed on gains obtained by QFIIs and RQFIIs from the transfer of PRC equity investment assets (including PRC domestic stocks) realised prior to 17 November 2014 in accordance with laws, and (b) QFIIs and RQFIIs (without an establishment or place in the PRC or having an establishment in the PRC but the income so derived in China is not effectively connected with such establishment) will be temporarily exempt from PRC CIT on gains derived from the trading of PRC equity investment (including A shares) effective from 17 November 2014.

   Any such tax payable by the relevant QFII may be passed on to the Fund to the extent that the tax is attributable to the QFII's trading gains on the A shares. **Prior to 17 November 2014, certain CAAP Issuers have indicated their intention to withhold an amount equal to 10 per cent. of any gains representing the PRC tax in respect of any capital gains which would be payable on an actual sale of the underlying A shares linked to the CAAPs issued to the Fund.** Similarly, for direct investments in A shares by A Shares CIS, managers of A Shares CIS may accrue for the 10 per cent. withholding tax referred to above. The amounts withheld should generally be retained for a period of 5 years by the CAAP Issuers, pending further clarification of the tax rules and tax collection measures adopted by the PRC authorities. If the tax withheld by the CAAP Issuers is inadequate to meet final PRC tax liabilities on capital gains, the CAAP Issuers may pass on the additional tax liabilities to the Fund, and may therefore result in a decrease in the value of the Fund. If the tax withheld by the managers of A Shares CIS is inadequate to meet final PRC tax liabilities on capital gains, this will impact the value of the Fund's investment in such A Shares CIS.

No withholding is made by the CAAP Issuers in respect of any realized gains which would be payable on the actual sale of the underlying A shares linked to the CAAPs issued to the Fund effective from 17 November 2014. Similarly, for direct investments in A shares by certain A Shares CIS, managers of such A Shares CIS may no longer accrue any provision for the 10 per cent. withholding tax referred to above from 17 November 2014 onwards.

If no withholding was made by the CAAP Issuers, the Manager has made WIT provisions for any PRC sourced capital gains from indirect A shares investments through CAAPs realized prior to 17 November 2014 at a rate of 10 per cent. The Manager has also made tax provisions in respect of unrealized capital gains derived from indirect A shares investments through CAAPs prior to 17 November 2014 at a rate of 10 per cent. The Manager will not make any tax provision for realized and unrealized capital gains derived from indirect A shares investments through CAAPs from 17 November 2014 onwards.

The tax laws, regulations and practice in the PRC are constantly changing, and they may be changed with retrospective effect. In addition, specific administrative rules governing taxes on capital gains derived by QFIIs or RQFIIs from the trading of A shares prior to 17 November 2014 have yet to be announced. As such, any provision for taxation made by the Manager may be excessive or inadequate to meet final PRC tax liabilities on capital gains derived from indirect A shares investments. Any excessive provision or inadequate provision for such taxation may impact on the performance and hence the net asset value of the Fund during the period of such excessive or inadequate provision. Consequently, investors may be advantaged or disadvantaged depending upon the final outcome of how capital gains from indirect A shares investments will be taxed, the level of tax provision and when the investors subscribed and/or redeemed their units in/from the Fund.

For further details on the effects of PRC taxation on the Fund, please refer to the section titled "PRC Taxation on A Shares" under the heading "TAXATION" in the Explanatory Memorandum.

b) A shares via Stock Connect

Dividends

Pursuant to the "Notice about the tax policies related to the Shanghai-Hong Kong Stock Connect" (Caishui [2014] No.81) ("Notice No.81") promulgated by the MoF, the SAT and the CSRC on 14 November 2014, dividends received by Hong Kong and overseas investors (including the Fund) from A share investment via Stock Connect will be subject to 10 per cent WIT and the company distributing the dividend has the withholding obligation. If the recipient of the dividend is entitled to a lower treaty rate, it can apply to the tax bureau in-charge of the payer for a refund.

Capital gains

Pursuant to Notice No. 81, PRC CIT will be temporarily exempted on capital gains derived by Hong Kong and overseas investors (including the Fund) on the trading of A shares through the Stock Connect. **Based on Notice No. 81, no provision for gross realised or unrealised capital gains derived from trading of A shares via Stock Connect is made by the Manager on behalf of the Fund.**"

5. The following additional new risk factor is inserted after the risk factor headed "Risks associated with A Shares CIS" under the heading "Risk Factors (Continued)" on page 23 of the Explanatory Memorandum:

"***Risks associated with the Shanghai-Hong Kong Stock Connect***

The Fund may invest through the Stock Connect. In addition to the risk factors headed "PRC Political, Economic and Social Risks", "Legal System of the PRC", "Potential Market Volatility of the PRC", "PRC Tax Risk" and "Renminbi Depreciation", it is also subject to the following additional risks:

Quota limitations - The Stock Connect is subject to quota limitations. In particular, once the remaining balance of the Northbound Daily Quota drops to zero or the Northbound Daily Quota is exceeded during the opening call session, new buy orders will be rejected (though investors will be allowed to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the Fund's ability to invest in A shares through the Stock Connect on a timely basis, and the Fund may not be able to effectively pursue its investment strategies.

Suspension risk - It is contemplated that both SEHK and SSE would reserve the right to suspend Northbound and/or Southbound trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the Northbound trading through the Stock Connect is effected, the Fund's ability to access the PRC market will be adversely affected.

Operational risk - The Stock Connect provides a new channel for investors from Hong Kong and overseas to access the China stock market directly.

The Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this programme subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

It is expected that the launch of the Stock Connect will only take place once market participants have had sufficient opportunity to configure and adapt their operational and technical systems. However, it should be appreciated that the securities regimes and legal systems of the two markets differ significantly and in order for the trial programme to operate, market participants may need to address issues arising from the differences on an on-going basis.

Further, the "connectivity" in the Stock Connect requires routing of orders across the border. This requires the development of new information technology systems on the part of the SEHK and exchange participants (i.e. a new order routing system ("**China Stock Connect System**") to be set up by SEHK to which exchange participants need to connect). There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the programme could be disrupted. The Fund's ability to access the A shares market (and hence to pursue its investment strategy) will be adversely affected.

Restrictions on selling imposed by front-end monitoring - PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise SSE will reject the sell order concerned. SEHK will carry out pre-trade checking on A share sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

If the Fund desires to sell certain A shares it holds, it must transfer those A shares to the respective accounts of its brokers before the market opens on the day of selling ("**trading day**"). If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, the Fund may not be able to dispose of holdings of A shares in a timely manner.

Recalling of eligible stocks - When a stock is recalled from the scope of eligible stocks for trading via the Stock Connect, the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the Fund, for example, when the Manager wishes to purchase a stock which is recalled from the scope of eligible stocks.

Clearing and settlement risk - The HKSCC and ChinaClear will establish the clearing links and each will become a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

Should the remote event of ChinaClear default occur and ChinaClear be declared as a defaulter, HKSCC's liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the Fund may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

Participation in corporate actions and shareholders' meetings - HKSCC will keep CCASS participants informed of corporate actions of SSE Securities. Hong Kong and overseas investors (including the Fund) will need to comply with the arrangement and deadline specified by their respective brokers or custodians (i.e. CCASS participants). The time for them to take actions for some types of corporate actions of SSE Securities may be as short as one business day only. Therefore, the Fund may not be able to participate in some corporate actions in a timely manner.

Hong Kong and overseas investors (including the Fund) are holding SSE Securities traded via the Stock Connect through their brokers or custodians. According to existing mainland practice, multiple proxies are not available. Therefore, the Fund may not be able to appoint proxies to attend or participate in shareholders' meetings in respect of the SSE Securities.

No Protection by Investor Compensation Fund - Investment through the Stock Connect is conducted through broker(s), and is subject to the risks of default by such brokers' in their obligations.

As disclosed in the section under the heading "**Shanghai-Hong Kong Stock Connect**", the Fund's investments through Northbound trading under the Stock Connect is not covered by the Hong Kong's Investor Compensation Fund. Therefore the Fund is exposed to the risks of default of the broker(s) it engages in its trading in A shares through the programme.

Regulatory risk - The Stock Connect is novel in nature, and will be subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under the Stock Connect.

It should be noted that the regulations are untested and there is no certainty as to how they will be applied. Moreover, the current regulations are subject to change. There can be no assurance that the Stock Connect will not be abolished. The Fund, which may invest in the PRC markets through the Stock Connect, may be adversely affected as a result of such changes."

6. The section titled "PRC Taxation on A Shares" under the heading "TAXATION (Continued)" of the Explanatory Memorandum shall be deleted in its entirety and replaced with the following:

"**a) A shares except those via Stock Connect**

PRC Corporate Income Tax ("CIT")

If the Fund is considered as a tax resident enterprise of the PRC, it should be subject to CIT at 25 per cent. on its worldwide taxable income. If the Fund is considered a non-tax resident enterprise with a PE in the PRC, the profits and gains attributable to that PE should also be subject to CIT at 25 per cent.

The Manager intends to manage and operate the Fund in such a manner that the Fund should not be treated as a tax resident enterprise of the PRC or a non-tax resident enterprise with a PE in the PRC for CIT purposes, although this cannot be guaranteed.

Dividend income or interest income

Under current regulations in the PRC, foreign investors (such as the Fund) may invest in A shares, generally, only through a QFII or an RQFII (in this section referred to as the "**relevant QFII**") and Shanghai-Hong Kong Stock Connect. Since only the relevant QFII's interests in A shares are recognised under PRC laws, any tax liability would, if it arises, be payable by the relevant QFII, subject to further interpretations and rules that may be issued in the future. However under the terms of the arrangement between the relevant QFII (i.e. the CAAP Issuers or managers of A Shares CIS) and the Fund, the relevant QFII will pass on any tax liability to the Fund. As such, the Fund is the ultimate party which bears the risks relating to any PRC taxes which are so levied by the relevant PRC tax authority. Under current PRC tax laws and regulations, the relevant QFII (if without a PE in China) is subject to WIT of 10 per cent. on dividends from A shares unless exempt or reduced under current PRC tax laws and regulations or relevant tax treaties.

Capital gains

The MoF, SAT and CSRC issued the Notice No. 79 on 14 November 2014. Notice No. 79 states that (a) PRC CIT will be imposed on gains obtained by QFIIs and RQFIIs from the transfer of PRC equity investment assets (including PRC domestic stocks) realised prior to 17 November 2014 in accordance with laws, and (b) QFIIs and RQFIIs (without an establishment or place in the PRC or having an establishment in the PRC but the income so derived in China is not effectively connected with such establishment) will be temporarily exempt from PRC CIT on gains derived from the trading of PRC equity investment (including A shares) effective from 17 November 2014.

Any such tax payable by the relevant QFII may be passed on to the Fund to the extent that the tax is attributable to the QFII's trading gains on the A shares. **Prior to 17 November 2014, certain CAAP Issuers have indicated their intention to withhold an amount equal to 10 per cent. of any gains representing the PRC tax in respect of any capital gains which would be payable on an actual sale of the underlying A shares linked to the CAAPs issued to the Fund.**

Similarly, for direct investments in A shares by A Shares CIS, managers of A Shares CIS may accrue for the 10 per cent. withholding tax referred to above. The amounts withheld should generally be retained for a period of 5 years by the CAAP Issuers, pending further clarification of the tax rules and tax collection measures adopted by the PRC authorities. If the tax withheld by the CAAP Issuers is inadequate to meet final PRC tax liabilities on capital gains, the CAAP Issuers may pass on the additional tax liabilities to the Fund and may therefore result in a decrease in the value of the Fund. If the tax withheld by the managers of A Shares CIS is inadequate to meet final PRC tax liabilities on capital gains, this will impact the value of the Fund's investment in such A Shares CIS.

No withholding is made by the CAAP Issuers in respect of any realized gains which would be payable on the actual sale of the underlying A shares linked to the CAAPs issued to the Fund effective from 17 November 2014. Similarly, for direct investments in A shares by certain A Shares CIS, managers of such A Shares CIS may no longer accrue any provision for the 10% withholding tax referred to above from 17 November 2014 onwards.

If no withholding was made by the CAAP Issuers, the Manager has made WIT provisions for PRC sourced capital gains from indirect A shares investments through CAAPs realized prior to 17 November 2014 at a rate of 10 per cent. The Manager will not make any tax provision for realized and unrealized capital gains derived from indirect A shares investments through CAAPs from 17 November 2014 onwards.

The tax laws, regulations and practice in the PRC are constantly changing, and they may be changed with retrospective effect. In addition, specific administrative rules governing taxes on capital gains derived by QFIIs or RQFIIs from the trading of A shares prior to 17 November 2014 have yet to be announced., As such, any provision for taxation made by the Manager may be excessive or inadequate to meet final PRC tax liabilities on capital gains derived from indirect A shares investments. Any excessive provision or inadequate provision for such taxation may impact on the performance and hence the Net Asset Value of the Fund during the period of such excessive or inadequate provision. Consequently, Unitholders may be advantaged or disadvantaged depending upon the final outcome of how capital gains from indirect A shares investments will be taxed, the level of tax provision and when the Unitholders subscribed and/or redeemed their Units in/from the Fund.

If no provision for potential withholding income tax is made and in the event that the PRC tax authorities enforce the imposition of such withholding income tax in respect of the Fund's investment in the A shares, the Net Asset Value of the Fund may be adversely affected. As a result, redemption proceeds or distributions may be paid to the relevant Unitholders without taking full account of tax that may be suffered by the Fund, which tax will subsequently be borne by the Fund and affect the Net Asset Value of the Fund and the remaining Units in the Fund.

The Manager will make provisions for any WIT payable by the Fund on PRC sourced capital gains at a rate of 10 per cent..

Unitholders should refer to the latest financial report of the Fund for details of the amounts currently withheld as provision for taxation liabilities (if any) with respect to the taxes on capital gains.

Business Tax ("BT") and other surtaxes

Dividend income or interest income

Dividends income on A shares will not be subject to BT in China.

Capital gains

Caishui [2005] No. 155 states that gains derived by QFIIs from the trading of A shares are exempt from BT. The new BT law has not changed this exemption treatment at the time of this Explanatory Memorandum.

If BT is applicable, there are also other surtaxes (which include Urban Construction and Maintenance Tax, Education Surcharge and Local Education Surcharge) that would also be charged at an amount as high as 12 per cent. of the 5 per cent. BT payable (or an additional 0.6 per cent.). In addition, there may also be other local levies such as flood prevention fee, commodity reconciliation fund and water conservancy fund, depending on the location of the PRC companies.

Stamp duty

Stamp duty under the PRC laws generally applies to the execution and receipt of all taxable documents listed in the PRC's Provisional Rules on Stamp Duty. In the case of contracts for sale of A shares, such stamp duty is currently imposed on the seller but not the purchaser, at the rate of 0.1 per cent.

It should also be noted that the actual applicable tax rates imposed by the PRC tax authorities may be different and may change from time to time. There is a possibility of the rules being changed and taxes being applied retrospectively. As such, any provision for taxation made by the Manager may be excessive or inadequate to meet final PRC tax liabilities. Consequently, investors may be advantaged or disadvantaged depending upon the final tax liabilities, the level of provision and when they subscribed and/or redeemed their units in or from the Fund.

If the actual applicable tax rate levied by the State Administration for Taxation ("SAT") is higher than that provided for by the Manager so that there is a shortfall in the tax provision amount, investors should note that the Net Asset Value of the Fund may suffer more than the tax provision amount as the Fund will ultimately have to bear the additional tax liabilities. In this case, the then existing and new Unitholders will be disadvantaged. On the other hand, if the actual applicable tax rate levied by the SAT is lower than that provided for by the Manager so that there is an excess in the tax provision amount, Unitholders who have redeemed their Units before SAT's ruling, decision or guidance in this respect will be disadvantaged as they would have borne the loss from the Manager's overprovision. In this case, the then existing and new Unitholders may benefit if the difference between the tax provision and the actual taxation liability under that lower tax rate can be returned to the account of the Fund as assets thereof.

Non-PRC tax resident Unitholders will not be subject to PRC tax on distributions received from the Fund (through the Fund), or on gains derived from the disposal of Units. PRC tax resident Unitholders should seek their own tax advice on their tax position with regard to their investment in the Fund (through the Fund).

It is possible that the current tax laws, regulations and practice in the PRC will change, including the possibility of taxes being applied retrospectively, and that such changes may result in higher taxation on PRC investments than currently contemplated.

b) A shares via Stock Connect

"i) CIT

Dividends

Pursuant to the "Notice about the tax policies related to the Shanghai-Hong Kong Stock Connect" (Caishui [2014] No.81) ("Notice No.81") promulgated by the MoF, the SAT and the CSRC on 14 November 2014, dividends received by Hong Kong and overseas investors (including the Fund) from A share investments via Stock Connect will be subject to 10 per cent WIT and the company distributing the dividend has the withholding obligation. If the recipient of the dividend is entitled to a lower treaty rate, it can apply to the tax bureau in-charge of the payer for a refund.

Capital gains

Pursuant to Notice No. 81, PRC CIT will be temporarily exempted on capital gains derived by Hong Kong and overseas investors (including the Fund) on the trading of A shares through the Stock Connect. **Based on Notice No. 81, no provision for gross realised or unrealised capital gains derived from trading of A shares via Stock Connect is made by the Manager on behalf of the Fund.**

ii) BT

The Notice No. 81 stipulates that BT will be temporarily exempted on capital gains derived by Hong Kong and overseas investors (including the Fund) on the trading of A shares through the Stock Connect.

iii) Stamp Duty

Stamp duty under the PRC laws generally applies to the execution and receipt of all taxable documents listed in the PRC's Provisional Rules on Stamp Duty. Stamp duty is levied on the execution or receipt in China of certain documents, including contracts for the sale of A shares traded on the PRC stock exchanges, at the rate of 0.1 per cent. In the case of contracts for sale of A shares, such stamp duty is currently imposed on the seller but not on the purchaser. Accordingly, the Fund investing in A shares will be subject to stamp duty at 0.1 per cent on its disposal of A shares."

B. Change of Telephone Number

With immediate effect, the telephone number for contacting the Manager has been changed to (852) 2143 0688. Accordingly, the Explanatory Memorandum has been revised to reflect the foregoing change.

1. The last paragraph on enquiries or complaints on page 5 of the Explanatory Memorandum shall be deleted in its entirety and replaced with the following:

   "**Enquiries or complaints**

   Investors may contact the Manager for any queries or complaints in relation to the Fund by writing to the Manager's address at 9th Floor, Nexxus Building, 41 Connaught Road Central, Hong Kong, or by telephone at (852) 2143 0688. The Manager will respond to the enquiry or complaint as soon as practicable."

2. The telephone number of the Manager stated under the sub-heading "Business Address" on page 8 of the Explanatory Memorandum shall be deleted in its entirety and replaced with the following:

   "Telephone: (852) 2143 0688"

3. The telephone number of the Manager stated on the back cover page after page 64 of the Explanatory Memorandum shall be deleted in its entirety and replaced with the following:

   "Tel: (852) 2143 0688"

23 February 2015