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Further to the Announcement and Notice dated 26 April 2018 and titled “Announcement and Notice of the Proposed Cessation of Trading, Termination, Voluntary Deauthorisation and Delisting and Waivers from Strict Compliance with Certain Provisions of the Code” (i.e. the First Announcement), this Announcement is to inform Relevant Investors of the First Distribution per Unit of the E Fund CES China 120 Index ETF (the “**Terminating Sub-Fund**”, a Sub-Fund as defined in the Prospectus) as follows:

First Distribution	First Distribution per Unit
RMB 2,899,430.18	RMB 13.18

The First Distribution for the Terminating Sub-Fund will be credited to the CCASS accounts of the relevant financial intermediaries and stockbrokers through whom the Relevant Investors held Units on 1 June 2018 (i.e. the Distribution Record Date). It is expected that the Relevant Investors will receive the First Distribution on or around 14 June 2018, but the exact timing may vary between different stockbrokers and financial intermediaries. Each Relevant Investor should therefore contact their stockbrokers or financial intermediaries in relation to the payment of the First Distribution from them.

When certain Suspended Stocks resume trading and are disposed, Further Distribution(s) will be made to Relevant Investors at such interval as determined by the Manager. The Manager will issue announcements on the date of each Further Distribution to provide updates on the disposal of Suspended Stocks and Further Distribution.

The Manager will also update investors by further announcements as and when appropriate in accordance with the applicable regulatory requirements, including announcements: (i) if any Suspended Stock is not realised by 26 April 2019, to inform investors about the extension of the period of Further Distribution(s) and the postponement of the Termination Date; and (ii) to inform investors about the Termination Date, the dates for the deauthorisation and the delisting.

IMPORTANT NOTES: Stockbrokers and financial intermediaries are urged to forward a copy of this Announcement to their clients holding Units in the Terminating Sub-Fund, and inform them of the contents of this Announcement as soon as possible. Relevant Investors should contact their stockbrokers and financial intermediaries in relation to the payment of the First Distribution from them. Investors should exercise caution and consult with their professional and financial advisers before dealing in the Units or otherwise deciding on the course of actions to be taken in relation to their Units.

E Fund ETFs Trust (the “Trust”)

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

E Fund CES China 120 Index ETF
(RMB Counter Stock Code: 83120)
(HKD Counter Stock Code: 03120)
(the “Terminating Sub-Fund”)

FIRST DISTRIBUTION ANNOUNCEMENT

Reference is made to the Announcement and Notice dated 26 April 2018 titled “Announcement and Notice of the Proposed Cessation of Trading, Termination, Voluntary Deauthorisation and Delisting and Waiver from Strict Compliance of Certain Provisions of the Code” (the “**First Announcement**”) issued by E Fund Management (Hong Kong) Co., Limited (the “**Manager**”), the manager of the Trust and the Terminating Sub-Fund.

Capitalised terms not defined in this Announcement shall have the same meanings as defined in the First Announcement.

The purpose of this Announcement is to inform the Relevant Investors of the First Distribution. Relevant Investors, as defined in the First Announcement, mean those investors who remain invested in the Terminating Sub-Fund as of 1 June 2018, being the Distribution Record Date.

1. First Distribution amount

As disclosed in the First Announcement, the Manager will, after having consulted the Trustee and the Terminating Sub-Fund’s auditors, declare a First Distribution for the Terminating Sub-Fund in respect of the Relevant Investors (i.e. those investors remain so as at the Distribution Record Date).

On the above basis the Manager, after having consulted the Trustee and the Terminating Sub-Fund’s auditors, has resolved to approve that First Distribution of the following amount shall be paid in cash by the Terminating Sub-Fund in the form of a First Distribution to the Relevant Investors of the Terminating Sub-Fund:

First Distribution	First Distribution per Unit
RMB 2,899,430.18	RMB 13.18

The First Distribution per Unit for the Terminating Sub-Fund was determined on the basis of the Net Asset Value per Unit of the Terminating Sub-Fund (less the value of the Suspended Stocks) as at 13 June 2018 and rounded to 2 decimal places. Each Relevant Investor will be entitled to a First Distribution of an amount equal to the Terminating Sub-Fund’s then Net Asset Value (less the value of the Suspended Stocks) in proportion to the Relevant Investor’s interests in the Terminating Sub-Fund as at the Distribution Record Date.

2. First Distribution Payment

The First Distribution for the Terminating Sub-Fund will be credited to the CCASS accounts of the relevant financial intermediaries and stockbrokers through whom the Relevant Investors held the Units on 1 June 2018 (i.e. the Distribution Record Date). It is expected that the Relevant Investors will receive the First Distribution on or around 14 June 2018, but the exact timing may vary between different stockbrokers and financial intermediaries. Each Relevant Investor should contact

their stockbrokers or financial intermediaries in relation to the payment arrangements, including payment procedures and settlement date, of the First Distribution from them.

No Hong Kong profits tax is expected to be payable by investors in Hong Kong in respect of the First Distribution or Further Distribution(s) to the extent of distribution of profits and/or capital of the Terminating Sub-Fund. For investors carrying on a trade, profession or business in Hong Kong, profits derived in redemption or disposal of Units in the Terminating Sub-Fund may be subject to Hong Kong profits tax if the profits in question arise in or are derived from such trade, profession or business, sourced in Hong Kong, as well as the Units of the Terminating Sub-Fund are revenue assets of the investors.

Investors should consult their professional tax advisers as to their particular tax position.

IMPORTANT NOTES: Stockbrokers and financial intermediaries are urged to forward a copy of this Announcement to their clients holding Units in the Terminating Sub-Fund, and inform them of the contents of this Announcement as soon as possible. Relevant Investors should contact their stockbrokers and financial intermediaries in relation to the payment arrangements, including payment procedures and settlement date, of the First Distribution from them.

Investors are strongly advised to read and consider the First Announcement together with the Prospectus, for further details in relation to the Terminating Sub-Fund, the termination, Deauthorisation and Delisting and the applicable risk factors and their implications to investors.

3. Net Asset Value of the Terminating Sub-Fund

Each of the Manager and the Trustee confirms that, the Net Asset Value and Net Asset Value per Unit of the Terminating Sub-Fund as at 13 June 2018 were as follows:

Net Asset Value	Net Asset Value per Unit	Net Asset Value (less the value of the Suspended Stocks)	Net Asset Value (less the value of the Suspended Stocks) per Unit
RMB 2,925,180.24	RMB 13.30	RMB 2,899,430.18	RMB 13.18

A simple breakdown of the Net Asset Values of the Terminating Sub-Fund is as follows:

As at 13 June 2018 (RMB)

Assets

Cash and cash equivalents	2,869,008.89
Suspended Stock	25,750.06
Total assets	2,895,716.87

Liabilities

Accrued expenses and other payables	410,080.75
Total liabilities	410,080.75

Net Asset Value 2,925,180.24

Net Asset Value (less the value of the Suspended Stocks) 2,899,430.18

Number of Units in issue 220,000

Net Asset Value per Unit 13.30

First Distribution per Unit (i.e. Net Asset Value (less the value of the Suspended Stocks) per Unit rounded to 2 decimal places)

13.18

As mentioned in the First Announcement, subject to the Provision (as defined in the First Announcement), the Manager will bear all costs and expenses associated with the termination, deauthorisation and delisting of the Terminating Sub-Fund (other than transaction costs and any taxes relating to the realisation of assets of the Terminating Sub-Fund) from the date of the First Announcement and Notice up to and including the Termination Date.

As at 13 June 2018, the Terminating Sub-Fund held 4 Suspended Stocks, the value of which is approximately RMB 25,750.06 and accounted for 8.80% of the Terminating Sub-Fund's Net Asset Value as of 13 June 2018. As disclosed in the First Announcement, when certain Suspended Stocks resume trading and are disposed, a Further Distribution will be made to Relevant Investors at such interval as determined by the Manager. The Trustee will provide an updated valuation report before each Further Distribution for the Manager to determine the distribution amount. The Manager will issue an announcement on each date on which a Further Distribution is made to inform the Relevant Investors about each Further Distribution. Please refer to the First Announcement for further details on the treatment of Suspended Stocks.

The Manager will also update investors by further announcements:

- (shortly before 26 April 2019, if any Suspended Stock is not realised by then) an announcement to inform investors about the extension of the period of Further Distributions and the postponement of the Termination Date; and
- (on or around the Termination Date) an announcement informing investors about the Termination Date, dates for the deauthorisation and delisting of the Terminating Sub-Fund,

in accordance with the applicable regulatory requirements. If there is any change to the dates mentioned in the First Announcement, the Manager will issue an announcement to inform the Relevant Investors of the revised dates.

Investors should exercise caution and consult with their professional and financial advisers before dealing in the Units or otherwise deciding on the course of actions to be taken in relation to their Units.

Investors who are in doubt about the contents of this Announcement should contact their independent financial intermediaries or professional advisers to seek their professional advice, or direct their queries to the Manager at 3929 0988 during office hours (except Hong Kong statutory holidays), or visiting the Manager in person at Suites 3501-02, 35/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong, or visiting the Manager's website: www.efunds.com.hk¹.

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.

E Fund Management (Hong Kong) Co., Limited
as Manager of the Terminating Sub-Fund

13 June 2018

¹ The website has not been reviewed by the SFC.