
THIS ANNOUNCEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE FOR UNITS OF THE TRUST AND THE SUB-FUND DESCRIBED BELOW.

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Further to the Announcement and Notice dated 24 August 2018 and entitled “Announcement and Notice – Proposed Cessation of Trading, Termination, Voluntary Deauthorisation and Delisting and Waivers from Strict Compliance of Certain Provisions of the Code” (the “First Announcement”), this Announcement is to inform Relevant Investors of the Interim Distribution per Unit of the Sub-Fund as follows:

| Sub-Fund | Interim Distribution | Interim Distribution per Unit |
|------------------------------------|-----------------------------|--------------------------------------|
| GFI MSCI China A International ETF | RMB19,588,829.12 | RMB6.5296 |

The Interim Distribution for the Sub-Fund will be credited to the CCASS accounts of the relevant financial intermediaries and stockbrokers through whom the Relevant Investors held the Units at close of business on 4 October 2018 (i.e. the Distribution Record Date). It is expected that the Relevant Investors will receive the Interim Distribution on or around 9 November 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 relevant Interim Distribution from them.

When all the Suspended Stocks resume trading and are disposed, a Final Distribution will be made to the Relevant Investors on the Final Distribution Date. The Manager will issue an announcement at least one business day before the Final Distribution Date to provide updates on the disposal of the Suspended Stocks and Final Distribution.

Also, further announcements will be made as and when appropriate in accordance with the applicable regulatory requirements, including announcements: (i) if any of the Suspended Stocks has not resumed trading by 30 August 2019, to inform investors about the extension of the period of the Final Distribution and the postponement of the Termination Date; and (ii) to inform investors about the Termination Date and the Deauthorisation and Delisting Date.

IMPORTANT NOTES: Stockbrokers and financial intermediaries are urged to forward a copy of this Announcement to their clients holding Units in the 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 relevant Interim Distribution from them.

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

**GFI ETF SERIES
(the “Trust”)**

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

**GFI MSCI China A International ETF
(Stock Codes: 83156 (RMB counter) and 03156 (HKD counter))**

(the “Sub-Fund”)

INTERIM DISTRIBUTION ANNOUNCEMENT

Reference is made to the First Announcement issued by GF International Investment Management Limited (the “**Manager**”), the manager of the Trust and the 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 Interim Distribution. Relevant Investors, as defined in the First Announcement, mean those investors who held Units in the Sub-Fund as at close of business on 4 October 2018, being the Distribution Record Date.

1. Interim Distribution Amount

As disclosed in the First Announcement, the Manager will, after having consulted the Trust’s and the Sub-Fund’s Auditor and the Trustee, declare an Interim Distribution for the Relevant Investors (i.e. those investors who held Units in the Sub-Fund as at the close of business on the Distribution Record Date).

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

| Sub-Fund | Interim Distribution | Interim Distribution per Unit |
|------------------------------------|-----------------------------|--------------------------------------|
| GFI MSCI China A International ETF | RMB19,588,829.12 | RMB6.5296 |

The Interim Distribution per Unit for the Sub-Fund was determined on the basis of the Net Asset Value per Unit of the Sub-Fund (less the value of the Suspended Stocks) as at 25 October 2018 and rounded to 4 decimal places. Each Relevant Investor will be entitled to an Interim Distribution of an amount equal to the Sub-Fund’s then Net Asset Value (less the value of the Suspended Stocks) in proportion to the Relevant Investor’s interests in the Sub-Fund as at the close of business on the Distribution Record Date.

2. **Interim Distribution Payment**

The Interim Distribution for the Sub-Fund will be credited to the CCASS accounts of the relevant financial intermediaries and stockbrokers through whom the Relevant Investors held the Units as at the close of business on 4 October 2018 (i.e. the Distribution Record Date). It is expected that the Relevant Investors will receive the Interim Distribution on or around 9 November 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 Interim Distribution from them.

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

Investors should consult their professional tax advisers for tax advice.

IMPORTANT NOTES: Stockbrokers and financial intermediaries are urged to forward a copy of this Announcement to their clients holding Units in the 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 relevant Interim 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 Trust and the Sub-Fund, the Termination, Deauthorisation and Delisting and the applicable risk factors and their implications to investors.

3. **Net Asset Value of the Sub-Fund**

Each of the Manager and the Trustee confirms that, the Net Asset Value and Net Asset Value per Unit of the Sub-Fund as at 25 October 2018 were as follows:

| Sub-Fund | 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 |
|--|------------------------|---------------------------------|---|--|
| GFI MSCI China A Internationa l ETF | RMB20,604,664.69 | RMB6.8682 | RMB19,588,829.12 | RMB6.5296 |

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

As at 25 October 2018 (RMB)

Assets

| | |
|---------------------------|---------------|
| Cash and cash equivalents | 20,649,647.79 |
| Suspended Stocks | 1,015,835.57 |

| | |
|---|----------------------|
| Total assets | 21,665,458.36 |
| Liabilities | |
| Accrued expenses and other payables ¹ | 1,060,793.67 |
| Total liabilities | 1,060,793.67 |
| Net Asset Value | 20,604,664.69 |
| Net Asset Value (less the value of the Suspended Stocks) | 19,588,829.12 |
| Number of Units in issue | 3,000,000.00 |
| Net Asset Value per Unit | 6.8682 |
| Interim Distribution per Unit | 6.5296 |
| (i.e. Net Asset Value (less the value of the Suspended Stocks) per Unit and rounded to 4 decimal places) | |

4. Suspended Stocks

The following summarises the information of the Suspended Stocks held by the Sub-Fund as at 25 October 2018:

| Sub-Fund | Number of Suspended Stocks | Fair value of Suspended Stocks | % of Net Asset Value |
|------------------------------------|-----------------------------------|---------------------------------------|-----------------------------|
| GFI MSCI China A International ETF | 11 | RMB1,015,835.57 | 4.93% |

The fair value of the Suspended Stocks as at 25 October 2018 has been reviewed by the Manager, in consultation with the Trustee.

When all the Suspended Stocks resume trading and are disposed, a Final Distribution will be made to Relevant Investors on the Final Distribution Date. The Manager will issue an announcement at least one business day before the Final Distribution Date to provide updates on the disposal of the Suspended Stocks and Final Distribution amount. Please refer to the First Announcement for further details on the treatment of Suspended Stocks.

In addition, the Manager will issue further announcements as and when appropriate in accordance with the applicable regulatory requirements, including (i) an announcement to inform the Unitholders of the Final Distribution Date, together with the amount of the Final Distribution per Unit for the Sub-Fund, (ii) if any of the Suspended Stocks has not resumed trading by 30 August 2019 an announcement to inform investors about the extension of the period of the Final Distribution and the postponement of the Termination Date; and (iii) an announcement to inform investors about the Termination Date and the Deauthorisation and Delisting Date. If there is any change to the dates mentioned in Annex A of the First Announcement, the Manager will issue an announcement to inform the investors of the revised dates.

¹ Liabilities in the sum of RMB1,069,646.11 comprise the Provision in the sum of RMB650,000 and accrued expenses (i.e. on-going operating expenses) in the sum of RMB419,646.11 that were already accounted for in the Net Asset Value of the Sub-Fund as at 25 October 2018.

5. Expenses in relation to the Trust and the Sub-Fund

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

A Provision (approximately RMB650,000) has been set aside to discharge the Future Costs, i.e. any future costs, charges, expenses, claims and demands (including but not limited to any Auditors' fees, regulatory maintenance costs, establishment cost and the fees payable to any service provider of the Trust and the Sub-Fund, including the Trustee but other than transaction costs and any taxes relating to the realisation of assets of the Sub-Fund) that the Trustee and the Manager may incur or make, during the period from the time after the First Announcement has been published up to the Termination Date, in connection with or arising out of the ongoing charges and normal operating expenses of the Trust and the Sub-Fund, and the termination process together with the delisting and deauthorisation.

During the period from the time after the First Announcement has been published up to 25 October 2018, the actual Future Costs incurred for the Trust and the Sub-Fund have not reached the amount of the Provision yet and the remaining Provision will continue to be applied to discharge the Future Costs. As such, the Manager does not anticipate that there will be any over-provisions. In the unlikely event of over-provision, the excess amount of the Provision would be refunded to the Sub-Fund and form part of the Final Distribution to be made by the Sub-Fund.

Each of the Manager and the Trustee confirms that, as of 25 October 2018, all Future Costs in respect of the Trust and the Sub-Fund (including the amount expected to be incurred up to the Termination Date) have been fully accounted for and there will be no further liabilities accruing to the Trust and the Sub-Fund. In the unlikely event that there are additional Future Costs, the Manager will continue to bear the shortfall.

Investors should exercise caution and consult with their professional and financial advisers before dealings 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 contact the Manager at +852 3695 2808 at the Manager's office at Unit 3503-3505, Two International Finance Centre, 8 Finance Street, Central, Hong Kong.

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.

GF International Investment Management Limited
as Manager of the Trust and the Sub-Fund

25 October 2018