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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 FTSE Chinese Government Bond 5-10 Years Index ETF
(RMB Counter Stock Code: 82808)
(HKD Counter Stock Code: 02808)
(the “Terminating Sub-Fund”)

UPDATE REGARDING FURTHER DISTRIBUTION

Reference is made to the Announcement and Notice dated 28 November 2018 titled “Announcement and Notice of the Proposed Cessation of Trading, Termination, Voluntary Deauthorisation and Delisting and Waivers from Strict Compliance of Certain Provisions of the Code” (the “**First Announcement**”) and the notice dated 24 January 2019 titled “Distribution Announcement” (the “**Distribution 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.

Background

It was stated in the First Announcement and/or the Distribution Announcement that:

- upon obtaining PRC tax clearance, should the final PRC tax amount be lower than that as determined by the Manager in consultation with the PRC tax advisers, the surplus will be paid to Relevant Investors as Further Distribution;
- the expected date of a Further Distribution (if any) is on or around 18 April 2019; and
- the Manager will make a further announcement by 15 April 2019 to inform investors whether or not a Further Distribution is payable and, if so, the date and amount per Unit of Further Distribution, or alternatively provide further update.

Update regarding Further Distribution

The Manager would like to inform Relevant Investors that, as the relevant PRC tax clearance application is still being processed by the PRC tax authority, the Manager understands that PRC tax clearance will not be obtained in April 2019. The Manager expects, in consultation of the PRC tax adviser, that PRC tax clearance will be obtained in around 3 May 2019. As such, should the final PRC tax amount be lower than that as determined by the Manager (in consultation with the PRC tax advisers), the Further Distribution is expected to be paid in around 24 May 2019.

The Manager will make a further announcement as soon as practicable after PRC tax clearance is obtained, and in any event by 8 May 2019, to inform Relevant Investors whether or not a Further Distribution is payable and, if so, the date and amount per Unit of Further Distribution, or alternatively provide further update.

Expenses in relation to the Terminating Sub-Fund

On 28 November 2018, a Provision in the amount of RMB779,700.63 was set aside, to discharge part of the costs and expenses associated with the termination of the Terminating Sub-Fund.

Please refer to the First Announcement and the Distribution Announcement for a description of the Future Costs that were covered by the Provision or the Ongoing Charges.

During the period from the time after the First Announcement has been published up to 15 April 2019, the actual Future Costs paid out of the Terminating Sub-Fund have not reached the total amount of the Provision and Ongoing Charges (which in total came to approximately RMB848,700.83 and was capped at 3% per annum or below of the Terminating Sub-Fund's average Net Asset Value over a year); and the remaining Provision and Ongoing Charges will continue to be applied to discharge the Future Costs. 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 Terminating Sub-Fund and form part of the Further Distribution to be made by the Terminating Sub-Fund.

The Manager expects that the total amount of Future Costs to be incurred until Termination Date will exceed the amount of Provision and Ongoing Charges. The Manager will bear the shortfall and no further liabilities will accrue to the Terminating Sub-Fund.

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 and the Distribution 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.

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

15 April 2019

¹ The website has not been reviewed by the SFC.