
THIS ANNOUNCEMENT AND NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE FOR UNITS OF THE EXCHANGE TRADED FUND NAMED BELOW

If you are in any doubt about this Announcement and Notice or as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser.

If you have sold or transferred all your Units in the iShares MSCI Emerging Asia ETF, you should at once hand this Announcement and Notice to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

IMPORTANT: *The Stock Exchange of Hong Kong Limited (the “SEHK”), the Hong Kong Exchanges and Clearing Limited, the Securities and Futures Commission (the “SFC”) and the Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Announcement and Notice, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Announcement and Notice.*

BlackRock Asset Management North Asia Limited (the “Manager”) accepts full responsibility for the accuracy of the information contained in this Announcement and Notice as at the date of publication, and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief, as at the date of publication, there are no other facts the omission of which would make any statement misleading.

SFC authorisation 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.

iShares Asia 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)*

iShares MSCI Emerging Asia ETF (Stock Code: 2802)

(the “Sub-Fund”)

PURCHASE OF DIVIDEND RECEIVABLES

Reference is made to the announcement and notice titled “Announcement and Notice of the Proposed Cessation of Trading, Termination, Voluntary Deauthorisation and Delisting and Non-applicability of Certain Provisions of the Code on Unit Trusts and Mutual Funds” dated 30 January 2023 (the “**First Announcement**”). Terms not defined in this Announcement and Notice will have the meanings as are given to such terms in the First Announcement.

1. Background

As stated in the First Announcement, as at the date of the First Announcement, certain stocks held by the Sub-Fund were suspended from trading on the SEHK. As such, to allow Unitholders to receive redemption proceeds of Units at fair value or distribution (as the case may be) without undue delay, the Manager proposed that: (i) if the Sub-Fund does not receive sale proceeds of the suspended stocks on or before 1 March 2023, Scenario A (as described in the First Announcement) will occur; and (ii) if the Sub-Fund is able to sell or otherwise dispose of all of the suspended stocks and receives sale proceeds of all of the Suspended Stocks on or before 1 March 2023, Scenario B (as described in the First Announcement) will occur.

As at the date of this Announcement and Notice, the Sub-Fund continues to hold certain stocks that are suspended from trading on the relevant stock exchanges¹ (the “**Suspended Stocks**”). As such, the Manager would like to inform investors that Scenario A will occur as the Sub-Fund did not receive sale proceeds of the Suspended Stocks on or before 1 March 2023.

¹ The Sub-Fund holds five Suspended Stocks as at 1 March 2023, namely China Evergrande Group (Ticker: 3333 HK), Shima Group Holdings (Ticker: 813 HK), Sunac China Holdings (Ticker: 1918 HK), True Corporation Public Company Limited (Depository Receipt) (Ticker: TRUEE-R TB) and Hanwha Solutions Corporation (Ticker: 009830 KS).

2. Purchase of Dividend Receivables

As at the date of this Announcement and Notice, the Sub-Fund is entitled to receive dividends declared by certain securities held by the Sub-Fund (the “**Dividend Receivables**”, and together with the Suspended Stocks Receivables, the “**Receivables**”). As of 28 February 2023, the total amount of the Dividend Receivables is HK\$331,738.12, which accounted for 0.55% of the Sub-Fund’s Net Asset Value as of the same date. It is expected the majority of the Dividend Receivables will only be received by the Sub-Fund in May or June 2023.

In addition to the purchase of the Suspended Stocks Receivables, the Manager will also purchase the Dividend Receivables under the Purchase Agreement (as defined in the First Announcement) in consideration for a cash payment by the Manager to the Sub-Fund in the amount of the value of the Dividend Receivables on or around the date of the Purchase Agreement (the “**Dividend Receivables Purchase Price**”). It is expected that the Purchase Agreement will be entered into between the Manager and the Trustee (acting on behalf of the Sub-Fund) on or around the Suspended Stocks Valuation Date (i.e. 1 March 2023). The Manager (in its corporate capacity) will pay the Dividend Receivables Purchase Price to the Trustee (on behalf of the Sub-Fund).

Units held by the Relevant Investors will then be compulsorily redeemed according to Clause 35.8B of the Trust Deed on the Compulsory Redemption Date (i.e. 8 March 2023) in accordance with the applicable arrangements stated in the First Announcement. The Suspended Stocks Purchase Price and the Dividend Receivables Purchase Price will form part of the proceeds payable to the Relevant Investors on compulsory redemption of Units.

When the Sub-Fund receives the Dividend Receivables, the Manager (in its corporate capacity) will, pursuant to the Purchase Agreement, be entitled to receive a payment from the Trustee (acting on behalf of the Sub-Fund) out of the Dividend Receivables, up to the Dividend Receivables Purchase Price. This means that:

- a) if the sum of the Dividend Receivables, less the Dividend Receivables Purchase Price, is a positive figure, the Trustee shall donate the excess amount to a charity chosen by the Manager upon consultation with the Trustee in accordance with Clause 35.8B of the Trust Deed; and
- b) if the sum of the Dividend Receivables is less than the Dividend Receivables Purchase Price, the Manager shall bear the loss in its corporate capacity, and neither the Trustee of the Sub-Fund nor the Unitholders shall be liable for the shortfall.

The Manager considers that the proposed arrangement set out above, which allows Unitholders to receive proceeds from the redemption of Units (including the amount of the Dividend Receivables) without undue delay, is in the best interest of the Sub-Fund and the Unitholders as a whole. The Trustee does not object to such arrangement.

IMPORTANT NOTES: Stockbrokers and financial intermediaries are urged to forward a copy of this Announcement and Notice to their clients holding Units, and inform them of the contents of this Announcement and Notice 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 Redemption Payment from them.

Investors are strongly advised to read and consider the First Announcement, this Announcement and Notice together with the Prospectus, for further details in relation to the Sub-Fund, the termination, deauthorisation and delisting of the Sub-Fund and the applicable risk factors and their implications to investors.

3. Connected party transaction

Further to section 6.3 of the First Announcement, the purchase of the Dividend Receivables by the Manager, in consideration for the Dividend Receivables Purchase Price payable to the Sub-Fund, pursuant to the Purchase Agreement will amount to a transaction between the Sub-Fund and the Manager. Pursuant to Chapter 10.11 of the Code, such transaction carried out on behalf of the Sub-Fund must be at arm’s length and in the best interests of the Unitholders. The Trustee has, on behalf of the Sub-Fund, agreed to (i) the payment of the Dividend Receivables Purchase Price by the Manager and (ii) the subsequent transfer of the Dividend Receivables to the Manager (up to the Dividend Receivables Purchase Price), as required by Chapter 10.11 of the Code and in accordance with the Purchase Agreement.

4. Future events

Please refer to the following timetable for events on or following the date of this Announcement and Notice:

<p>No further requests for creation and redemption of Units in the primary market by Participating Dealers will be accepted</p> <p>Cessation of trading in the Units on the SEHK in the secondary market</p> <p>The date on which the Manager will start to realise all the investments of the Sub-Fund (save for the Suspended Stocks) and the Sub-Fund will cease to track the performance of its Underlying Index</p> <p>The day from which the Sub-Fund shall no longer be marketed or offered to the public in Hong Kong (i.e. the Trading Cessation Date)</p>	1 March 2023 (Wednesday)
<p>The date on which the fair value of the Suspended Stocks will be determined (i.e. the Suspended Stocks Valuation Date)</p>	1 March 2023 (Wednesday)
<p>Record date for determining the eligibility of entitlement for the Redemption Payment following compulsory redemption of Units (i.e. the Record Date)</p>	By close of business on 3 March 2023 (Friday)
<p>The date on which all Units in the Sub-Fund will be compulsorily redeemed in accordance with Clause 35.8B of the Trust Deed and, after having consulted the Trustee and the Auditor, the Redemption Value will be determined (i.e. the Compulsory Redemption Date)</p> <p>An announcement will be issued on or shortly following the Compulsory Redemption Date to inform Relevant Investors of the fair value of the Suspended Stocks, the Dividend Receivables Purchase Price, the Redemption Value and the Redemption Payment Date.</p>	8 March 2023 (Wednesday)
<p>The date on which redemption proceeds will be paid to Relevant Investors (i.e. the Redemption Payment Date)</p>	On or around 15 March 2023 (Wednesday)
<p>Delisting of the Sub-Fund (i.e. the Delisting Date)</p> <p>An announcement will be issued on or shortly before the Delisting Date to inform Relevant Investors of the Delisting Date.</p>	On or around 22 March 2023 (Wednesday), which is the date on which the delisting becomes effective as approved by the SEHK
<p>Termination Date</p>	On a date after the Manager and the Trustee form the opinion that the Sub-Fund ceases to have any outstanding contingent or actual assets and liabilities, which will be on or after 2 May 2023 (Tuesday)
<p>Deauthorisation Date</p> <p>The Deauthorisation Date will be the date on which the SFC approves the deauthorisation. The Manager expects that the deauthorisation will take place either on or shortly after the Termination Date.</p>	On or shortly after the Termination Date

The Manager will update investors by further announcements as soon as practicable according to the relevant timetable, as and when appropriate in accordance with the applicable regulatory requirements. This will include:

- (i) (on or shortly following the Compulsory Redemption Date) an announcement to inform Relevant Investors of the fair value of the Suspended Stocks, the Dividend Receivables Purchase Price, the Redemption Value and the Redemption Payment Date; and
- (ii) (on or shortly before the Delisting Date) an announcement to inform Relevant Investors of the Delisting Date.

If there is any change to the dates mentioned in this Announcement and Notice, the Manager will issue an announcement informing the Relevant Investors of the revised dates.

Investors should note that, as it is expected that the Sub-Fund will be delisted from the SEHK shortly after the Redemption Payment Date, the Manager will not issue an announcement as and when the Suspended Stocks resume trading or upon termination and deauthorisation of the Sub-Fund.

5. Expenses in relation to the Sub-Fund

As mentioned in the First Announcement, the Manager will bear all costs and expenses associated with the termination of the Sub-Fund (other than normal operating expenses such as transaction costs and any taxes relating to the liquidation of assets of the Sub-Fund) from the date of the First Announcement up to and including the Termination Date. The Manager continues to charge a Management Fee up to and including the Compulsory Redemption Date, as disclosed in the First Announcement.

6. General

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

If you have any queries concerning this Announcement and Notice, please direct them to your stockbrokers or financial intermediaries or contact the Manager at (852) 3903 2823 during office hours (except Hong Kong statutory holidays) or by email: iSharesAsiaEnquiry@blackrock.com.

The Manager accepts full responsibility for the accuracy of the contents of this Announcement and 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 misleading.

BlackRock Asset Management North Asia Limited
as Manager of the Trust and the Sub-Fund

1 March 2023