

Composition of Distributions

# Mainland-Hong Kong Mutual Recognition of Funds

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Fund Manager:

**China International**  
Fund Management

Main Distributor in Hong Kong:

**J.P.Morgan**  
Asset Management

# CIFM China Sector Rotation Fund - Class H

## Composition of Distributions

- The Fund will explore in listed companies which demonstrates core competitive advantage in the dominant industries during cyclical economic fluctuations.
- The Fund is therefore exposed to investment, concentration, Mainland market, RMB currency and conversion risks. The Fund has exposure to the Mainland China equity and will be subject to market, volatility, policy, small/mid-capitalization companies, and high valuation and liquidity risks. The Fund will also subject to the SME board and/or ChiNext market risk, Mainland debt securities risk and the risks relating to repurchase/reverse repurchase transactions.
- The Fund is a Mainland fund authorized for public offering in Hong Kong pursuant to the Mainland-Hong Kong Mutual Recognition of Funds (MRF) scheme and risks associated with the MRF arrangement include (1) Quota restrictions; (2) Failure to meet eligibility requirements under MRF; (3) Mainland tax risk; and (4) Different market practices between Mainland and Hong Kong.
- The Fund may at its discretion make distributions out of accrued net distributable income carried over from the previous financial year(s) amounts to distributions out of capital under Hong Kong regulatory disclosure requirements. Investors should note that the payment of distributions out of capital represents a return or a withdrawal of part of the amount they originally invested or capital gain attributable to that amount. Any distributions involving payment of dividends out of capital of the share class will result in an immediate decrease in the NAV per unit of the relevant units.
- Investors should not only base on this marketing material alone to make investment decisions.

Ex-Dividend Date	Class	Denominated Currency	Distribution per unit	From Net Distributable Income	From Capital
19/09/2017	H	CNY	0.357	100%	0%

Note:

1. From Net Distributable Income: Net of fees and expenses
2. From Capital: Including capital gain
3. The calculation start date of distribution: Since last year-end

**Warning: Please note that a positive distribution yield does not imply a positive return. Investors should not make any investment decision solely based on information contained in the table above. You should read the relevant offering document (including the key facts statement) of the fund for further details including the risk factors.**

**Investment involves risk. The fund manager undertakes to manage and utilize the fund assets in good faith and with due diligence, however, there is no guarantee that the fund will make a profit nor is there guaranteed minimum**

return. Past performance and net asset value of the fund are no indication of future performance. The value of investments and the income from them may fluctuate and your investment is not guaranteed. Investors may not get back the full amount invested. Exchange rates may cause the value of underlying overseas investments to go down or up. Investments in emerging markets may be more volatile than other markets and funds which are invested in emerging markets are usually more sensitive to price movements and the risk to your capital is therefore greater. Also, the economic and political situations may be more volatile than in established economies and these may adversely influence the value of investments made. Please refer to the offering documents for details including the risk factors, before making investment decisions. Investors should ensure that they fully understand the characteristics and potential risks and rewards of the product and independently determine whether the investment product is suitable for them having regard to their own investment objectives, experience, financial and operational resources and relevant circumstances before making any decision to invest in the investment product. Please seek professional advice where needed.

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