

IMPORTANT: If you are in any doubt about the contents of this notice, you should immediately consult your stockbroker, bank manager, solicitor, accountant or financial adviser. Unless otherwise defined, terms in this notice shall have the same meaning as that in the Prospectus and the Hong Kong Covering Document of the Fund (as defined below).

The Securities and Futures Commission (“SFC”) authorization is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean that the Fund is suitable for all investors, nor is it an endorsement of its suitability for any particular investor or class of investors.

CCB Principal Asset Management Co., Ltd. (“the Manager”) accepts full responsibility for accuracy of the information contained in this 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 every statement misleading and that opinions expressed in this notice have been arrived at after due and careful consideration.

CCB Principal Selected Growth Mixed Asset Fund*

(*The name of the fund is not indicative of the fund’s performance and return)

Elaboration of investment strategy and Addition of risk warnings in relation to the Science and Technology Innovation Board (“STAR Board”)

Dear Investors,

Elaboration of investment strategy

We, the Manager of the Fund, wish to inform you that following the launch by the Shanghai Stock Exchange of the Science and Technology Innovation Board and its first day of trading (22 July 2019) (“the Effective Date”), the Fund may invest substantially in stocks listed and traded on the ChiNext market, the STAR Board and the Small and Medium Enterprise (“SME”) board.

The section ‘*Additional disclosures on investments of the Fund*’ in the Hong Kong Covering Document is updated accordingly.

Addition of risk warnings

In the Hong Kong Covering Document of the Fund, under the section titled ‘Specific risks relating to the Fund’s investment’, the following paragraph ‘*Risks associated with the Small and Medium Enterprise (SME) board, ChiNext market and/or the Science and Technology Innovation Board (STAR Board)*’ has been added:

“Risks associated with the Small and Medium Enterprise (SME) Board, ChiNext market and/or the Science and Technology Innovation Board (STAR Board)”

- *Higher fluctuation on stock prices and liquidity risk:* Listed companies on the SME board, ChiNext market and/or STAR Board are usually of emerging nature with smaller operating scale. In particular, listed companies on STAR Board are subject to wider price fluctuation limits, and due to higher entry thresholds for investors may have limited liquidity, compared to other boards. Hence, companies listed on these boards are subject to higher fluctuation in stock prices and liquidity risks and have higher risks and turnover ratios than companies listed on the main board.
- *Over-valuation risk:* Stocks listed on SME board, ChiNext and/or STAR Board may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

- *Differences in regulation:* The rules and regulations regarding companies listed on the ChiNext market and STAR Board are less stringent in terms of profitability and share capital than those in the main board and SME board.
- *Delisting risk:* It may be more common and faster for companies listed on the SME board, ChiNext market and/or STAR Board to delist. In particular, STAR Board has stricter criteria for delisting compared to other boards. This may have an adverse impact on the Fund if the companies that it invests in are delisted.
- *Concentration risk:* STAR Board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in STAR Board may be concentrated in a small number of stocks and subject the Fund to higher concentration risk.

Investments in the SME board, the ChiNext market and/or the STAR Board may result in significant losses for the Fund and its investors.”

The Product Key Facts Statement (“KFS”) of the Fund is also updated to reflect the above changes accordingly.

The updated Hong Kong Covering Document and the KFS (“the HKCD and KFS”) are now available in electronic form on the website of the Hong Kong Representative, Principal Investment & Retirement Services Limited (www.principal.com.hk[^]). The HKCD and KFS are available in Traditional Chinese and English, and printed copies of the HKCD and KFS will be made available on request at the registered office of the Hong Kong Representative (30/F, Millennium City 6, 392 Kwun Tong Road, Kwun Tong, Kowloon).

Please note that we issued an announcement dated 21 June 2019 on various funds under our management that may invest in the STAR Board and regarding the risks of investing in the STAR Board (“the Announcement”). Please refer to the attached Announcement (translated version) for your reference. Please note that in the Announcement, except the Fund, all other funds are not authorized by the SFC and not available to Hong Kong investors.

If you have any queries, please direct these to the Hong Kong Representative at 30/F, Millennium City 6, 392 Kwun Tong Road, Kwun Tong, Kowloon or by telephone at its telephone number: (852) 2117 8383.

[^]*This website has not been reviewed by the SFC*

CCB Principal Asset Management Co., Ltd.

23 August 2019

CCB Principal Asset Management Co., Ltd. **Participating in STAR Board Investment and Related Risks**

Based on relevant laws and regulations and the fund contract, various funds under the management of CCB Principal Asset Management Co., Ltd. (“**Fund Manager**”) may invest in the stocks of the Science and Technology Innovation Board (“**STAR Board**”). A list of funds that can be invested in the STAR Board is annexed.

The details are as follows:

1. The stocks listed on the STAR Board are stocks issued and listed in China in accordance with law, and belong to the scope of the listed stocks regulated in paragraph 1 of Article 72 of Funds Law.
2. Investment scope stated in the fund contracts of the funds listed in the annex also includes stocks issued and listed in accordance with domestic law and investment in stocks on STAR Board complies with the investment objectives, investment strategies, investment scopes, investment restrictions, features of risks and income and related risk control requirements stated in the fund contracts of the funds.
3. When Fund Manager invest in the stocks on STAR Board, they will follow the principle of prudence to maintain consistency in the fund’s investment style and take measures on liquidity risk management on STAR Board investment.

Investors please note that funds that invest in STAR Board have the following risks:

Funds assets invested in STAR Board stocks may suffer specific risks from differences such as the investment targets, market systems and transaction rules of STAR Board. This includes but is not limited to liquidity risk, delisting risk, concentration risk, market risk, systematic risk and policy risk etc. The fund may vary depending on the investment strategy needs or the market environment where a portion of investment funds may not necessarily be invested into the STAR Board stocks.

Specific risks of Investment in stocks on STAR Board include but not limited to:

(1) Liquidity Risk

STAR Board’s investment threshold is high, each investor need to meet certain conditions to be able to participate in the stock investment of the STAR Board where the liquidity of STAR Board stocks may be weaker than other market sectors, where there may be a risk that the stocks cannot be traded and other liquidity risk.

(2) Delisting Risk

The delisting system of STAR Board is stricter than that of the main board where the delisting period is shorter, and the delisting process is faster and there are more situations where delisting may occur. There is also no system of suspension of listing, resumption of listing and re-listing. Listed companies may also face a greater risk of delisting.

(3) Risk of Investment Concentration

STAR Board listed enterprises are all science and technology innovation growth enterprises. The characteristics of its business model, profit risk, performance fluctuation etc are relatively similar. It is difficult to reduce investment risk through diversification of investment. If the stock price fluctuates in the same direction, the net value of the funds will fluctuate accordingly. Besides, STAR Board is a new trading platform, there may be less initial bids where there is a tendency for investors to concentrate on investing in a small number of shares resulting in the high concentration conditions in the market.

(4) Market Risk

The stocks of STAR Board are mainly from the new generation of information technology, high-end equipment, new materials, new energy, energy conservation and environmental protection, bio-medicine as well as high-tech and strategic emerging industries. Most enterprises are start-up companies where future earnings, cash flow and valuation will be uncertain, which are different from traditional secondary market investment targets. Therefore, the overall investment is increased, which means that there will be increased stock market risk for STAR Board.

STAR Board stock bidding trading set a wide range of price limits. There is no price limit of the stocks on the first 5 trading days after listing on STAR Board and the price limit of the stocks on the following trading day is up or down 20%.

(5) Systematic Risk

All the enterprises in STAR Board are more highly recognized by the market and have similar business operation and profit model, therefore stocks listed on STAR Board are highly correlated and the systematic risk will be more significant when the market underperforms.

(6) Policy Risk

Changes in the state's support and emphasis on high-tech industries will have a great impact on enterprises of the STAR Board, and changes in international economic situation will also have a policy impact on strategic emerging industries and stocks of the STAR Board.

Our company promises honesty and the principle of diligence by seriously assessing the risk of investing in STAR Board before making prudent investment decisions. When an investor invests in a fund managed by our company, the relevant fund contract should be read carefully, alongside the prospectus and other documents to have a comprehensive understanding of the features of risk and income as well as understanding the product by listening to the advice of the appropriate dealer. Each investor can make an independent decision about fund investments before choosing the appropriate fund product based on one's risk tolerance, investment tenure and investment objective.

This notice is hereby given.

CCB Principal Asset Management Co., Ltd.

21 June 2019

Annexed: List of securities investment funds that can invest in STAR Board

***Please note that except CCB Principal Selected Growth Mixed Asset Fund (item 60 of the list), all other funds have not been authorized by the Securities and Futures Commission of Hong Kong and therefore are not available for sale to the public of Hong Kong. The English names of these funds are not included in the English version of this notice.**

Item	Name of the fund*
1	建信消费升级混合型证券投资基金
2	建信安心保本混合型证券投资基金
3	建信创新中国混合型证券投资基金
4	建信中证 500 指数增强型证券投资基金
5	建信健康民生混合型证券投资基金
6	建信改革红利股票型证券投资基金
7	建信中小盘先锋股票型证券投资基金
8	建信潜力新蓝筹股票型证券投资基金
9	建信睿盈灵活配置混合型证券投资基金
10	建信信息产业股票型证券投资基金
11	建信环保产业股票型证券投资基金
12	建信稳健回报灵活配置混合型证券投资基金
13	建信新经济灵活配置混合型证券投资基金
14	建信鑫安回报灵活配置混合型证券投资基金
15	建信互联网+产业升级股票型证券投资基金
16	建信精工制造指数增强型证券投资基金
17	建信鑫丰回报灵活配置混合型证券投资基金
18	建信大安全战略精选股票型证券投资基金
19	建信鑫荣回报灵活配置混合型证券投资基金
20	建信现代服务业股票型证券投资基金
21	建信中国制造 2025 股票型证券投资基金
22	建信鑫利灵活配置混合型证券投资基金
23	建信裕利灵活配置混合型证券投资基金
24	建信弘利灵活配置混合型证券投资基金
25	建信汇利灵活配置混合型证券投资基金
26	建信兴利灵活配置混合型证券投资基金
27	建信多因子量化股票型证券投资基金
28	建信瑞丰添利混合型证券投资基金
29	建信鑫瑞回报灵活配置混合型证券投资基金
30	建信瑞福添利混合型证券投资基金
31	建信民丰回报定期开放混合型证券投资基金
32	建信量化优享定期开放灵活配置混合型证券投资基金
33	建信鑫稳回报灵活配置混合型证券投资基金

34	建信鑫利回报灵活配置混合型证券投资基金
35	建信鑫泽回报灵活配置混合型证券投资基金
36	建信高端医疗股票型证券投资基金
37	建信量化事件驱动股票型证券投资基金
38	建信智享添鑫定期开放混合型证券投资基金
39	建信福泽安泰混合型基金中基金 (FOF)
40	建信龙头企业股票型证券投资基金
41	建信战略精选灵活配置混合型证券投资基金
42	建信 MSCI 中国 A 股国际通交易型开放式指数证券投资基金发起式联接基金
43	建信创业板交易型开放式指数证券投资基金发起式联接基金
44	建信上证 50 交易型开放式指数证券投资基金发起式联接基金
45	建信福泽裕泰混合型基金中基金 (FOF)
46	建信中证 1000 指数增强型发起式证券投资基金
47	建信深证基本面 60 交易型开放式指数证券投资基金联接基金
48	建信优享稳健养老目标一年持有期混合型基金中基金 (FOF)
49	建信双利策略主题分级股票型证券投资基金
50	建信央视财经 50 指数分级发起式证券投资基金
51	深证基本面 60 交易型开放式指数证券投资基金
52	建信创业板交易型开放式指数证券投资基金
53	建信沪深 300 指数证券投资基金 (LOF)
54	建信优势动力混合型证券投资基金 (LOF)
55	建信丰裕多策略灵活配置混合型证券投资基金 (LOF)
56	上证社会责任交易型开放式指数证券投资基金
57	建信上证 50 交易型开放式指数证券投资基金
58	建信 MSCI 中国 A 股国际通交易型开放式指数证券投资基金
59	建信恒久价值混合型证券投资基金
60	CCB Principal Selected Growth Mixed Asset Fund (*The name of the fund is not indicative of the fund's performance and return)
61	建信优化配置混合型证券投资基金
62	建信核心精选混合型证券投资基金
63	建信上证社会责任交易型开放式指数证券投资基金联接基金
64	建信内生动力混合型证券投资基金
65	建信积极配置混合型证券投资基金
66	建信恒稳价值混合型证券投资基金
67	建信深证 100 指数增强型证券投资基金
68	建信社会责任混合型证券投资基金

