

## First State Investments (Hong Kong) Limited

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Unless otherwise defined herein, all capitalised terms used herein shall bear the same meaning as capitalised terms used in the latest Explanatory Memorandum of the Fund dated 2 January 2007 (the “**Explanatory Memorandum**”).

**IMPORTANT: This Announcement is important and requires your immediate attention. If you are in any doubt as to the action you should take, you should seek advice from your investment consultant, tax adviser and/or legal adviser as appropriate.**

**This Announcement concerns a fundamental change to the listing status of the New Era PRC Fund (the “Fund”). In particular, Unitholders should note that, subject to the approval of the SEHK, the Fund is expected to be delisted in Hong Kong on 6 February 2014.**

**The Fund has been authorised by the SFC\* subject to the condition that, upon launch of the Fund in Hong Kong, Units in the Fund are offered in Hong Kong only to institutional investors who are able to meet the minimum investment requirements and are not offered for sale to or available for purchase by the general public. Subject to regulatory approval and further notice to lift such condition in the future, Units in the Fund will continue to be offered to “Eligible Investors” after the delisting.**

**“Eligible Investors” refers to institutional investors who, after 1 April 2003, would qualify as professional investors under the Securities and Futures Ordinance (Cap. 571) (“SFO”) and are able to meet the minimum investment requirements of the Fund and does not include the general public in Hong Kong.**

## **ANNOUNCEMENT AND NOTICE OF THE PROPOSED VOLUNTARY DELISTING IN HONG KONG**

### **New Era PRC Fund (the “Fund”) (Stock Code: 2301)**

3 January 2014

#### ***Proposed Voluntary Delisting of the Fund***

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\* The SFC authorisation 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 the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

First State Investments (Hong Kong) Limited (the “**Manager**”), the manager of the Fund listed on the SEHK, hereby announces that it will, subject to the approval of the SEHK, delist the Fund from the SEHK (the “**Delisting**”). The Delisting of the Fund is expected to take place on 6 February 2014 (the “**Delisting Day**”). A decision is made to delist the Fund on the basis that Unitholders generally subscribe for and redeem Units in the Fund through the Manager and do not trade their Units via the secondary market on the SEHK. In addition, in light of the costs associated with the listing status of the Fund, the Manager has decided it is in the best interests of Unitholders to delist the Fund from the SEHK. It is expected that the last trading day of the Fund on the SEHK is 5 February 2014 (the “**Last Trading Day**”). After the Last Trading Day, Units of the Fund will no longer be traded on the SEHK.

In general, dealing of units through a fund’s service providers is different from trading of units on the SEHK in various aspects. For example, dealing of units can only be performed on a dealing day (as disclosed in the fund’s offering documents) instead of continuously during the trading hours of the SEHK. In addition, units will generally be issued or redeemed through the service providers at the net asset value (or the issue / redemption price as disclosed in the fund’s offering documents), subject to charges such as subscription and redemption fees as specified in the fund’s offering documents. On the other hand, units are traded on the SEHK at the market price and subject to trading fee / levy. Notwithstanding the above, it is not expected that the above differences will have any practical implication to the Fund or its Unitholders as Unitholders do not presently trade their Units on the SEHK. Eligible Investors may continue to subscribe for or redeem Units in the Fund through the Manager in accordance with the Explanatory Memorandum of the Fund. As such, the Delisting will not have any substantive impact on the dealing arrangements for existing Unitholders.

In addition, it is not expected that the Delisting will have any adverse impact on the existing Unitholders. After the Delisting, Unitholders’ investments in the Fund will remain intact. In addition, there will be no change in the current Unitholding arrangement in that Unitholders’ Units will continue to be held by the same financial intermediaries as nominees or directly by the relevant Unitholders or through the Unitholders’ own custodians (as the case may be). As such, the Delisting will not have any substantive impact on the Unitholding or Unitholding arrangements for existing Unitholders.

The Manager intends to maintain the authorisation of the Fund by the SFC\* pursuant to Section 104 of the SFO following the proposed Delisting. The Fund will continue to be subject to the authorisation condition that Units in the Fund will continue to be offered in Hong Kong only to Eligible Investors.

The Manager will continue to manage the Fund in accordance with the applicable requirements of the SFC, the Trust Deed and the Explanatory Memorandum of the Fund. Subject to regulatory approval, the Fund may implement further changes to the Fund after the Delisting (e.g. amending the Trust Deed to implement various changes

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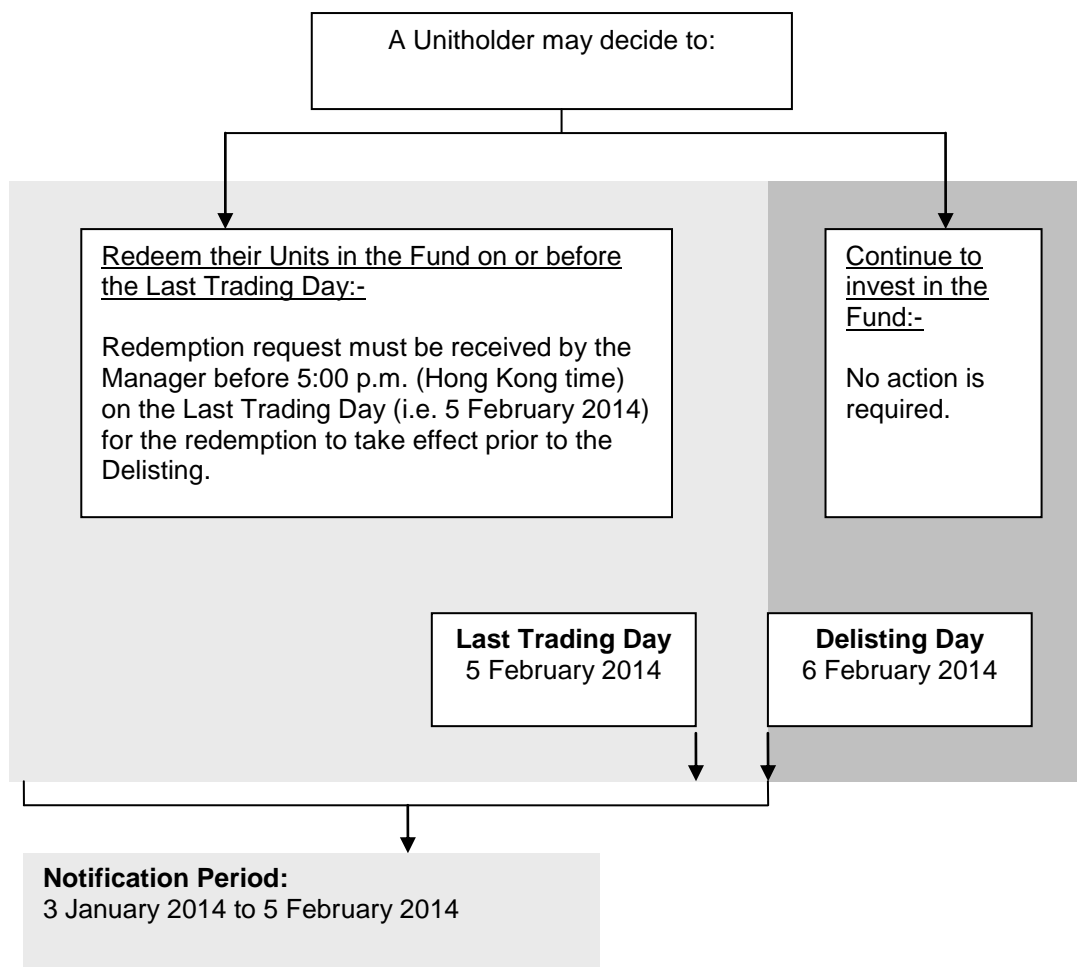
to the Fund, such as changes in dealing and pricing arrangements), in which case a separate notice will be issued to the Unitholders and the relevant documents of the Fund (e.g. the Trust Deed and/or the Explanatory Memorandum) will be updated accordingly.

***Potential courses of action to be taken by Unitholders on or before the Delisting Day***

1. Redemption up to the Delisting Day – Unitholders who do not agree with the proposed Delisting may redeem their Units before the Delisting Day. The relevant redemption request must be received by the Manager before 5:00 p.m. (Hong Kong time) on the Last Trading Day (i.e. 5 February 2014, which is one Dealing Day before the Delisting Day) for the redemption to take effect prior to the Delisting. As usual, no redemption charge will be levied by the Manager for any redemption of Units by Unitholders. The redemption proceeds will be paid in accordance with the provisions of the Fund’s offering documents.
2. Continue to invest in the Fund after the Delisting Day – Unitholders who wish to continue to invest in the Fund after the Delisting Day do not have to take any action. As set out in the “Proposed Voluntary Delisting of the Fund” section above, the Delisting will not affect the subscription / redemption arrangement of the Fund or the manner in which existing Units are being held.

Please note that Units in the Fund are not eligible to be admitted to the Central Clearing and Settlement System (CCASS) of HKEx.

The chart below illustrates the potential courses of action that may be taken by a Unitholder:-



### ***Consequences of the Delisting***

As set out in the “Proposed Voluntary Delisting of the Fund” section above, it is not expected that the Delisting will have any substantive impact on the dealing or Unitholding arrangements for existing Unitholders. After the Delisting, Eligible Investors may continue to subscribe for or redeem Units in the Fund through the Manager in accordance with the Explanatory Memorandum. In addition, there will be no change in the current Unitholding arrangement in that Unitholders’ Units will continue to be held by the same financial intermediaries as nominees or directly by relevant Unitholders or through the Unitholders’ own custodians (as the case may be).

It is not expected there will be any adverse tax consequence for the Fund or its Unitholders. In addition, there will not be any change in the fees and costs to be borne by the Fund or its Unitholders as a result of the Delisting, except the Fund will no longer be subject to the fees and costs associated with the listing status of the Fund, such as an annual fee payable to the HKEx. Unitholders are advised to seek independent tax advice if they are in doubt.

### ***Costs***

Costs associated with the Delisting process at the level of the Fund will be borne by the Manager.

***Further Enquiries***

Should you have any questions relating to the above matters, you should contact us at the Manager's Investor Services Hotline on +852 2846 7566, fax +852 2868 4742 or alternatively you should contact your investment consultant.

The Manager accepts responsibility for the accuracy of the information contained in this document. To the best knowledge and belief of the Manager (who has taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'H. Lam', is positioned above a horizontal line.

For and on behalf of  
First State Investments (Hong Kong) Limited