

***IMPORTANT: This letter requires your attention. If you have any questions about the content of this letter, you should seek independent professional advice. Schroder Investment Management (Hong Kong) Limited ("the Manager") accepts full responsibility for the accuracy of the information contained in this document 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.***

Unless otherwise stated herein, capitalised terms in this letter shall have the same meaning(s) as defined in the Explanatory Memorandum of the Schroder Asian Asset Income Fund dated July 2018, as amended and supplemented from time to time (the "**Explanatory Memorandum**").

6 August 2018

Dear Unitholders

## **SCHRODER UMBRELLA FUND II - SCHRODER ASIAN ASSET INCOME FUND (the "Fund")**

We are writing to inform you of the following changes to the Fund:

### **(A) Change in Investment Policy – Direct Exposure to China A-Shares through Shenzhen-Hong Kong Stock Connect and Direct exposure to onshore Chinese fixed income securities via Bond Connect**

#### Direct Exposure to China A-Shares through Shenzhen-Hong Kong Stock Connect

The Manager proposes to change the investment policy of the Fund to provide flexibility to the Fund to invest directly in eligible China A-Shares via the Shenzhen-Hong Kong Stock Connect ("Shenzhen-Hong Kong Stock Connect") in addition to investment via the Shanghai-Hong Kong Stock Connect, with effect from 30 July 2018.

#### *Shenzhen-Hong Kong Stock Connect*

The Shenzhen-Hong Kong Stock Connect comprises a Northbound Shenzhen Trading Link and a Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect. Under the Northbound Shenzhen Trading Link, Hong Kong and overseas investors (including the Fund), through their Hong Kong brokers and a securities trading service company established by The Stock Exchange of Hong Kong Limited ("SEHK"), may be able to trade eligible China A-Shares listed on the Shenzhen Stock Exchange ("SZSE") by routing orders to SZSE. Under the Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect investors in mainland China will be able to trade certain stocks listed on the SEHK.

Under the Shenzhen-Hong Kong Stock Connect, the Fund, through their Hong Kong brokers may trade certain eligible shares listed on the SZSE. These include any constituent stock of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which has a market capitalisation of RMB6 billion or above and all SZSE-listed shares of companies which have issued both China A-Shares and H-Shares, except the following:

- SZSE-listed shares which are not traded in RMB; and
- SZSE-listed shares which are included in the “risk alert board”.

At the initial stage of the Northbound Shenzhen Trading Link, investors eligible to trade shares that are listed on the ChiNext Board of SZSE under the Northbound Shenzhen Trading Link will be limited to institutional professional investors as defined in the relevant Hong Kong rules and regulations.

For further information relating to the Shenzhen-Hong Kong Stock Connect and the risk associated with the Shenzhen-Hong Kong Stock Connect, please refer to the latest Explanatory Memorandum (including Product Key Facts Statement).

#### Direct exposure to onshore Chinese fixed income securities via Bond Connect

As a result of the launch of a new initiative in July 2017 for mutual bond market access between Hong Kong and Mainland China (“**Bond Connect**”), the Manager proposes to change the investment policy of the Fund to provide flexibility to the Fund to invest directly in fixed income and debt instruments issued or distributed in mainland China (“**Onshore Chinese fixed income securities**”) via investing in mainland China interbank bond markets (“**China Interbank Bond Market**”) under Bond Connect with effect from 30 July 2018.

#### *Bond Connect*

Bond Connect is a new initiative launched in July 2017 for mutual bond market access between Hong Kong and mainland China established by China Foreign Exchange Trade System & National Interbank Funding Centre (“**CFETS**”), China Central Depository & Clearing Co., Ltd, Shanghai Clearing House, and Hong Kong Exchanges and Clearing Limited and Central Moneymarkets Unit. Under the prevailing regulations in mainland China, eligible foreign investors will be allowed to invest in the bonds circulated in the China Interbank Bond Market through the northbound trading of Bond Connect (“**Northbound Trading Link**”). There will be no investment quota for Northbound Trading Link.

Please note that investments in Chinese debt securities traded in the China Interbank Bond Market through Bond Connect are subject to risks such as liquidity, volatility, regulatory, PRC tax risk and risks associated with settlement procedures and default of counterparties.

Trading through Bond Connect is performed through newly developed trading platforms and operational systems. There is no assurance that such systems will function properly or will continue to be adapted to changes and developments in the market. In the event that the relevant systems fails to function properly, trading through Bond Connect may be disrupted. The Fund’s ability to trade through Bond Connect (and hence to pursue its investment strategy) may therefore be adversely affected.

For further information relating to the Bond Connect and the risk associated with investing in the China Interbank Bond Market, please refer to the latest Explanatory Memorandum (including Product Key Facts Statement).

For the avoidance of doubt, the Fund's aggregate direct and indirect exposure to China A-shares, China B-shares and Onshore Chinese fixed income securities will not exceed 20% of its net asset value.

**(B) Enhancement of disclosures - investment policy**

For the purpose of clarifying investment policies to reflect current best practice in the market, and also for the purpose of enhancement to align with the disclosure requirements of the SFC's Guide on Practices and Procedures for Application for Authorization of Unit Trusts and Mutual Funds ("Guide"), the disclosures on the investment policy of the Fund have been enhanced. Notwithstanding such enhancement of disclosures, there will be no change to the way the Fund is managed in practice, save for the change of investment policy as described above.

**(C) Amendments to the Explanatory Memorandum**

Please refer to the latest Explanatory Memorandum (including Product Key Facts Statement), which has been revised to reflect the above changes, for further information.

The revised Explanatory Memorandum (including Product Key Facts Statement) is available upon request from the office of the Manager at Level 33, Two Pacific Place, 88 Queensway, Hong Kong and are also available on Schroders' website at [www.schroders.com.hk](http://www.schroders.com.hk). The website is not authorised by the SFC.

This notification is to provide you with updated information in relation to the Fund. You are not required to take any action with respect to this letter. If you would like more information, please contact your usual professional advisor or Schroders Investor Hotline on (+852) 2869 6968.

Yours faithfully,

For and on behalf of

**Schroder Investment Management (Hong Kong) Limited**



Chris Durack

Chief Executive Officer, Hong Kong

施羅德投資管理 (香港) 有限公司  
香港金鐘道 88 號太古廣場二座 33 字樓

Tel 電話：+852 2521 1633 Fax 傳真：+852 2530 9095  
www.schroders.com.hk

**重要提示：此函件務須閣下垂閱。閣下如對本函件之內容有任何疑問，應尋求獨立專業的意見。施羅德投資管理（香港）有限公司（「經理人」）就本函件所載資料之準確性承擔全部責任，並在作出一切合理查詢後確認，盡其所知所信，本函件並無遺漏足以令本函件的任何陳述具誤導成分的其他事實。**

除非本文另有指明，本函件所用詞彙與施羅德亞洲高息股債基金日期為 2018 年 7 月的解釋說明書（經不時修訂及補充）（「解釋說明書」）所界定者具有相同涵義。

親愛的單位持有人：

**施羅德傘型基金 II - 施羅德亞洲高息股債基金（「本基金」）**

我們來函通知閣下本基金將作出下述變更：

**(A) 更改投資政策 - 經深港股票市場交易互聯互通機制直接投資於 A 股和透過債券通直接投資於境內中國定息證券**

經深港股票市場交易互聯互通機制直接投資於 A 股

經理人提議更改本基金的投資政策以提供本基金靈活性，除了經滬港股票市場交易互聯互通機制外，亦可經深港股票市場交易互聯互通機制（「深港通」）直接投資於合資格 A 股，由 2018 年 7 月 30 日起生效。

深港通

深港通包括深港通下的深股交易通和港股交易通。在深股交易通下，香港及海外投資者（包括本基金）通過其香港經紀和香港聯合交易所有限公司（「聯交所」）設立的證券交易服務公司，可以將指示傳遞至深圳證券交易所（「深交所」），買賣於深交所上市的合資格 A 股。在深港通下的港股交易通，中國內地投資者將可以買賣於聯交所上市的若干股票。

根據深港通，本基金通過其香港經紀可以買賣於深交所上市的若干合資格股份。此等股份包括不時的深證成指、擁有市場資本 60 億人民幣或以上的深證中小創業指數，和所有深交所上市並已發行 A 股和 H 股的公司股份，但不包括下列股票：

- 以人民幣以外貨幣報價的深股；及
- 被實施風險警示的深股。

深股交易通開始初期，可經深股交易通買賣於深交所創業板上市的股份的合資格投資者，將僅限於專業機構投資者，定義依相關香港規則和法例所界定。

更多有關深港通及與深港通有關的風險的資料，請參閱最近期之解釋說明書（包括產品資料概要）。

#### 透過債券通直接投資於境內中國定息證券

由於在 2017 年 7 月推出的全新計劃，讓香港與中國內地債券市場互聯互通（「**債券通**」），經理人提議更改本基金投資政策以提供靈活性，讓本基金透過投資於債券通下的中國銀行間債券市場（「**中國銀行間債券市場**」）直接投資於在中國內地發行或銷售的定息和債務工具（「**境內中國定息證券**」），由 2018 年 7 月 30 日起生效。

#### *債券通*

債券通是於 2017 年 7 月推出的全新計劃，讓香港與中國內地債券市場互聯互通，由中國外匯交易中心暨全國銀行間同業拆借中心（「**CFETS**」）、中央國債登記結算有限責任公司、上海清算所、香港交易及結算所有限公司及債務工具中央結算系統成立。根據中國內地現行規例，合資格境外投資者將獲准透過債券通的北向通（「**北向通**」）投資於在中國銀行間債券市場流通的債券。北向通將不設投資額度。

請注意透過債券通投資於在中國銀行間債券市場買賣的中國債務證券面臨風險，例如流動性、波動性、監管、中國稅務風險及與結算程序及交易對手違約相關的風險。

透過債券通進行的買賣乃通過全新開發的交易平台及操作系統作出。並不保證有關系統將正常運作或將繼續適合應用於市場的變化和發展。如果有關系統未能正常運作，透過債券通進行的交易可能受到干擾。因此，本基金透過債券通買賣（從而執行其投資策略）的能力將受到不利影響。

有關債券通的進一步資料及有關投資於中國銀行間債券市場的風險，請參閱最近期之解釋說明書（包括產品資料概要）。

為免生疑問，本基金於 A 股、B 股和境內中國定息證券的直接及間接投資總額將不超過其資產淨值的 20%

**(B) 進一步披露 - 投資政策**

為了闡明投資政策以反映市場現時的最佳慣例，及為了與證監會單位信託及互惠基金認可申請的常規及程序指南（「指南」）內的披露要求一致，本基金投資政策的披露已作進一步說明。儘管有關披露已作進一步說明，除了上述有關投資政策的變更外，實際管理本基金的方法將維持不變。

**(C) 基金解釋說明書的修訂**

基金解釋說明書（包括產品資料概要）已作出修改以反映上述變更。有關更多資料，請參閱最近期之解釋說明書。

閣下可向經理人位於香港金鐘道 88 號太古廣場二座 33 字樓的辦事處索取經修訂後的解釋說明書和產品資料概要，亦可瀏覽施羅德網站 [www.schroders.com.hk](http://www.schroders.com.hk)。該網站未經證監會審閱。

本通知書向閣下提供有關本基金的最新資訊，閣下毋須就此採取任何行動。閣下如需要更多資料，請聯絡閣下的專業顧問或致電施羅德投資熱綫電話：（+852）2869 6968 查詢。



杜偉麒

香港區行政總裁

施羅德投資管理（香港）有限公司

謹啟

2018 年 8 月 6 日