

DCI Investment Trust (the “Trust”)

Da Cheng China RMB Fixed Income Fund (the “Sub-Fund”)

Notice to Unitholders

IMPORTANT NOTE:

If you are in any doubt about the contents of this Notice, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. Da Cheng International Asset Management Company Limited accepts responsibility for the information contained in this Notice as being accurate at the date hereof.

Dear Unitholders,

Updates to the Explanatory Memorandum

Unless otherwise defined in this Notice, capitalised terms used in this Notice shall have the same meaning as defined in the Explanatory Memorandum of the Sub-Fund dated January 2017.

We, the Manager of the Trust and the Sub-Fund, are writing to inform you that the Explanatory Memorandum (including the Product Key Facts Statement) (together, the “**Revised Explanatory Memorandum**”) of the Sub-Fund have been updated as of 16 January 2017 (the “**Effective Date**”). The primary changes in the Revised Explanatory Memorandum are summarised below:

Directors of the Manager

The information on the Directors has been updated to reflect changes to the board composition of the Manager.

Liquidity risk management

Pursuant to the Circular to Management Companies of SFC-authorized Funds on Liquidity Risk Management issued by the SFC on 4 July 2016, the Revised Explanatory Memorandum has been updated to include disclosure on the Manager’s liquidity risk management policies and procedures.

Shenzhen-Hong Kong Stock Connect

The Sub-Fund currently has direct access to the “Stock Connect”, a securities trading and clearing linked programme with an aim to achieve mutual stock market access between the PRC and Hong Kong. The Stock Connect previously comprised only of the Shanghai-Hong Kong Stock Connect. The Manager intends to utilise other relevant mutual stock market access programmes when such other relevant programmes become available. The Shenzhen-Hong Kong Stock Connect was launched on 5 December 2016. From the Effective Date onwards, the Sub-Fund will also utilise Shenzhen-Hong Kong Stock Connect, in addition to the existing investment channels, to invest in A Shares.

The Shenzhen-Hong Kong Stock Connect comprises a Northbound Trading Link and a Southbound Trading Link. Under the Northbound Trading Link, Hong Kong and overseas investors (including the Sub-Fund), through their Hong Kong brokers and a securities trading service company established by The Stock Exchange of Hong Kong Limited (“**SEHK**”), are able to trade eligible shares listed on the Shenzhen Stock Exchange (“**SZSE**”) by routing orders to the SZSE.

Initially, Hong Kong and overseas investors are only able to trade certain stocks listed on the SZSE market (the “**SZSE Securities**”) via the Shenzhen-Hong Kong Stock Connect.

SZSE Securities will include all the constituent stocks of the SZSE Component Index and the SZSE Small/Mid Cap Innovation Index which have a market capitalisation of not less than RMB 6 billion, and all the SZSE-listed A shares which have corresponding H shares listed on SEHK, except the following:

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

At the initial stage of Shenzhen-Hong Kong Stock Connect, shares listed on the ChiNext Board of SZSE under Northbound Trading Link will be limited to institutional professional investors. Subject to resolution of related regulatory issues, other investors may subsequently be allowed to trade such shares.

Disclosure in the Revised Explanatory Memorandum has been updated to reflect the use of the Shenzhen-Hong Kong Stock Connect and the relevant risks. For further information, please refer to the Revised Explanatory Memorandum including the section titled “Stock Connect”. Please note that investments through the Shenzhen-Hong Kong Stock Connect are subject to risks similar to risks of the Shanghai-Hong Kong Stock Connect. Investors’ attention is drawn to the risks disclosed in the Revised Explanatory Memorandum, in particular, “Risks associated with Stock Connect”.

The OECD Standard for Automatic Exchange of Financial Account Information in Tax Matters – the Common Reporting Standard

The Inland Revenue (Amendment) (No.3) Ordinance (the “**Ordinance**”) came into force on 30 June 2016. This is the legislative framework for the implementation in Hong Kong of the Standard for Automatic Exchange of Financial Account Information (“**AEOI**”). The AEOI requires financial institutions (“**FIs**”) in Hong Kong to collect certain required information relating to non-Hong Kong tax residents holding financial accounts with the FIs, and report such information to the Hong Kong Inland Revenue Department (“**IRD**”) for the purpose of AEOI exchange. Generally, the information will be reported and automatically exchanged in respect of account holders that are tax resident in an AEOI partner jurisdiction(s) with which Hong Kong has a Competent Authority Agreement (“**CAA**”) in force; however, the Sub-Fund and/or its agents may further collect information relating to residents of other jurisdictions.

The Sub-Fund is required to comply with the requirements of the Ordinance, which means that the Sub-Fund and/or its agents shall collect and provide to the IRD the required information relating to Unitholders and prospective investors.

For further information, please refer to the Explanatory Memorandum including the section titled “The OECD Standard for Automatic Exchange of Financial Account Information in Tax Matters – the Common Reporting Standard”. Each Unitholder and prospective investor should consult its own professional advisor(s) on the administrative and substantive implications of AEOI on its current or proposed investment in the Sub-Funds.

The Revised Explanatory Memorandum is, from the Effective Date onwards, available at www.dcfund.com.hk (this website has not been reviewed by the SFC).

If you have any queries, please direct these to your financial adviser or alternatively to us at (852) 3765 6788.

Da Cheng International Asset Management Company Limited

16 January 2017