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If you are in doubt about the contents of this Announcement, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser.

W.I.S.E. – CSI 300 China Tracker^{®*}

(*This is a synthetic ETF)
(the "Fund")

標智滬深 300 中國指數基金^{®*}

(*此基金為一隻合成交易所買賣基金)

a sub-fund of the World Index Shares ETFs

(a Hong Kong unit trust authorized under
section 104 of the Securities and Futures Ordinance¹
(Cap. 571 of the laws of the Hong Kong SAR))

(Stock Code: 02827)

Announcement -

Effective Date of the Fund's Direct Investments in A Shares through the Shenzhen-Hong Kong Stock Connect and decreased reliance on synthetic representation strategy

BOCI-Prudential Asset Management Limited (the "Manager"), the manager of the Fund, hereby announces that with effect from today, the Fund may invest directly in certain eligible A Shares through the Shenzhen-Hong Kong Stock Connect, and together with the direct investments in A Shares through the Manager's QFII quota and Shanghai-Hong Kong Stock Connect, the Fund will decrease its reliance on the synthetic representation strategy. The updated Prospectus and Product Key Facts Statement (“KFS”) of the Fund have been issued. Certain other updates and/or amendments have also been made.

Unless otherwise defined, terms used in this Announcement will have the same meaning as they are defined in the Prospectus of the Fund.

¹SFC 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 the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

Effective Date of the Fund's Direct Investments in A Shares through the Shenzhen-Hong Kong Stock Connect and decreased reliance on synthetic representation strategy

Reference is made to the announcement dated 1 December 2016 in relation to the Fund's direct investment in A Shares through the Shenzhen-Hong Kong Stock Connect and decreased reliance on synthetic representation strategy.

The Manager hereby informs investors of the Fund that with effect from today (the "**Effective Date**"):

1. the investment strategy of the Fund will gradually be changed to a "physical representation strategy" and it is the Manager's intention to gradually and orderly decrease the Fund's reliance on synthetic representation strategy and increase the Fund's reliance on physical representation strategy. As such, the investments of the Fund in AXP's will be decreased and the direct investments in A Shares will be increased;
2. in order to increase the Fund's reliance on physical representation strategy, the Manager will seek to invest directly in A Shares through the Manager's QFII quota and/or Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect (Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect are collectively referred to as "**Shanghai and Shenzhen Connect**" hereinafter below) using the representative sampling strategy;
3. Creation Applications by Participation Dealers shall be made in-cash, and no more in-kind Creation Application will be accepted;
4. Redemption Applications by Participation Dealers may be made in-cash, in addition to in-kind;
5. there is a new Dealing Deadline for in-cash Creation Applications and in-cash Redemption Applications;
6. the definition of "Business Day" and "Dealing Day" will be changed by adding the requirement that it should be a day on which the A Shares invested in by the Fund through the Shanghai and Shenzhen Connect are traded; and
7. the Transaction Fee for in-cash Creation Application and Redemption Application is HK\$20,000.

Further information regarding the above has been reflected in the latest Prospectus and KFS of the Fund.

Other Updates and/or Amendments

The Manager would like to take this opportunity to inform investors of the following updates and/or amendments:

Automatic Exchange of Financial Account Information (“AEOI”)

You may be aware that over 100 jurisdictions have committed to the implementation of AEOI regarding tax matters based on the Common Reporting Standard (the “CRS”) released by the Organisation of Economic Co-operation and Development (“OECD”) in July 2014.

The Inland Revenue (Amendment) (No. 3) Ordinance 2016 (“the Amendment Ordinance”), which came into effect on 30 June 2016, has established common obligations on Financial Institutions (“FIs”) in Hong Kong to collect and review information in an effort to identify the account holders’ jurisdiction(s) of tax residence. Under the AEOI framework, FIs are required to collect information relating to non-Hong Kong tax residents holding accounts with the FIs, and exchange such information with the jurisdiction(s) in which that account holder is a resident for tax purpose. Please refer to the Hong Kong Inland Revenue Department (“IRD”) website for further information in relation to AEOI (http://www.ird.gov.hk/eng/faq/dta_aeoi.htm).

Under the Amendment Ordinance, details of the Unitholders, including but not limited to their name, jurisdiction of birth, address, tax residence, account details, account balance/value, and income or sale or redemption proceeds, may be reported to the IRD.

The Fund is required to comply with the requirements of AEOI as implemented by Hong Kong. The Manager, the Trustee and/or other service providers to Fund shall collect and provide to the IRD tax information relating to the Unitholders and prospective investors. By investing in the Fund or continuing to invest in the Fund, the Unitholders acknowledge that they may be required to provide additional information in order for the Fund to comply with AEOI.

In view of AEOI, the Prospectus of the Fund has been revised. We have added relevant paragraphs relating to AEOI under the section headed “IMPORTANT INFORMATION FOR INVESTORS” and revised the relevant paragraphs under the sub-heading “Personal Data or Confidential Information”. We have also enhanced the risk disclosure to include the “Risks relating to obligations to comply with AEOI”.

Please note that CRS/AEOI is a complex area and the above information does not constitute any tax or legal advice. This communication is not intended or written to be used, and it cannot be used, for the purpose of avoiding tax penalties. Each Unitholder should consult its own professional advisor(s) on the administrative and substantive implications of CRS/AEOI on its current or proposed investment in the Fund.

Modification/ updating of risk disclosure

The existing risk factors of the Fund as set out in the section headed “Risk Factors” of the Prospectus have been modified and/or updated as a result of a recent overall review. The relevant key changes have also been summarised in the KFS of the Fund.

Liquidity risk management

Further, the Manager hereby informs investors of the Fund that it has employed a process

and maintains tools and methods for monitoring the liquidity of the Fund. The overall process involves appropriate oversight by management, measurement processes, regular assessment, on-going monitoring and internal control procedures. Despite the above, investors should be aware of the potential impact of the liquidity risks on the Fund.

Update of information

In the meantime, information relating to the number of listed companies on the Shanghai Stock Exchange and its total market capitalization, the top ten holdings of the CSI 300 Index and the percentage of the total market capitalisation of the Shenzhen Stock Exchange and the Shanghai Stock Exchange that the 300 constituent stocks of the CSI 300 Index represent as set out in the Prospectus and the KFS has also been updated.

The latest Prospectus and KFS of the Fund are now available on the website of the Hong Kong Exchanges and Clearing Limited at www.hkex.com.hk and the Manager's website² at www.boci-pru.com.hk/english/etf/intro.aspx (for the English version) and www.boci-pru.com.hk/chinese/etf/intro.aspx (for the Chinese version). Hard copies may also be obtained from Manager at 27th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong free of charge.

Investors who have any enquiries regarding the above may contact the Manager at 27th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong or our enquiry hotline at (852) 2280 8697.

3 January 2017

² Information contained in the Manager's website has not been reviewed by the SFC.