



12 June 2012

Dear Investors,

**Re: Guotai Junan Investment Funds (“Fund”)
- Notification on the changes of the Explanatory Memorandum and Trust Deed**

The Manager and the Trustee of the Fund have recently updated the Explanatory Memorandum and the Trust Deed of the Fund.

Unless the context otherwise requires, defined terms used in the Explanatory Memorandum and the Trust Deed of the Fund shall have the same meaning in this notice.

Explanatory Memorandum

We have made the following amendments to the Explanatory Memorandum. The fees and charges of the Fund (including its sub-funds) remain unchanged.

1. Payment of Subscription Amount

The first paragraph of this section appearing on page 14 of the Explanatory Memorandum has been amended as follows:

“The subscription price on any Dealing Day is the price per Unit ascertained by dividing the Net Asset Value of a Sub-Fund as at the Valuation Point in respect of the Dealing Day on which the application form is received by the Service Provider to Trustee and Registrar by the number of Units then in issue, rounded up to the nearest 2 decimal places or in such manner and to such other number of decimal places as may from time to time be determined by the Manager in consultation with the Trustee (“**Subscription Price**”). Any rounding adjustment as a result of determining the Subscription Price will be charged to or retained for the benefit of the relevant Sub-Fund.”

2. Payment of Redemption Proceeds

The first paragraph of this section appearing on page 15 of the Explanatory Memorandum has been amended as follows:

“The redemption price on any Dealing Day shall be the price per Unit ascertained by dividing the Net Asset Value of a Sub-Fund as at the Valuation Point in respect

of the Dealing Day on which the redemption request is received by the Service Provider to Trustee and Registrar by the number of Units in respect of such Sub-Fund then in issue rounded ~~down~~ to the nearest 2 decimal places, or in such manner and to such other number of decimal places as the Manager may determine from time to time in consultation with the Trustee (the “**Redemption Price**”). Any rounding adjustment as a result of determining the Redemption Price will be charged to or retained for the benefit of the relevant Sub-Fund.”

3. Subscriptions of Units subsequent to the Initial Offer Period

The second paragraph of this section appearing on page 35 of the Explanatory Memorandum has been amended as follows:

“The Subscription Price on any Dealing Day is the price per Unit ascertained by dividing the Net Asset Value of the Sub-Fund as at the Valuation Point in respect of the Dealing Day on which the application form is received by the Service Provider to Trustee and Registrar by the number of Units then in issue rounded ~~up~~ to the nearest 2 decimal places or in such manner and to such other number of decimal places as the Manager may from time to time be determine after consulting the Trustee.”

4. Redemption of Units

The third paragraph of this section appearing on page 36 of the Explanatory Memorandum has been amended as follows:

“The Redemption Price on any Dealing Day is the price per Unit ascertained by dividing the Net Asset Value of the Sub-Fund as at the Valuation Point in respect of the Dealing Day on which the redemption request is received by Service Provider to Trustee and Registrar by the number of Units in respect of such Sub-Fund then in issue, rounded ~~down~~ to the nearest 2 decimal places or in such manner and to such other number of decimal places as the Manager may determine from time to time after consulting the Trustee.”

5. Subscriptions of Units subsequent to the Initial Offer Period

The second paragraph of this section appearing on page 46 of the Explanatory Memorandum has been amended as follows:

“The Subscription Price on any Dealing Day is the price per Unit ascertained by dividing the Net Asset Value of the Sub-Fund as at the Valuation Point in respect of the Dealing Day on which the application form is received by the Service Provider to Trustee and Registrar by the number of Units then in issue, rounded ~~up~~ to the nearest 2 decimal places or in such manner and to such other number of decimal places as the Manager may from time to time determine in consultation with the Trustee.”

6. Redemption of Units

The third paragraph of this section appearing on page 47 of the Explanatory Memorandum has been amended as follows:

“The Redemption Price on any Dealing Day is the price per Unit ascertained by dividing the Net Asset Value of the Sub-Fund as at the Valuation Point in respect of the Dealing Day on which the redemption request is received by Service Provider to Trustee and Registrar by the number of Units in respect of such Sub-Fund then in issue, rounded ~~down~~ to the nearest 2 decimal places or in such manner and to such other number of decimal places as the Manager may determine from time to time after consulting the Trustee.”

Trust Deed

The following amendments have been made to the Trust Deed.

7. Clause 7(A)(3) of the Principal Deed has been amended as follows:

“(3) The amount of Management Fee accruing in relation to that Sub-Fund as at any particular Valuation Point (the “**relevant Valuation Point**”) shall be such amount as is produced by applying the following formula, provided that (if there shall then be in issue Units of two or more classes relating to that Sub-Fund) the amount of Management Fee which shall accrue on the relevant Valuation Point shall be the aggregate amount produced by applying the following formula to each class of Units and by adding the amounts resulting from each such application:

$$\frac{a \times b \times c}{d}$$

where:

a = 1 or (in the case of the first Valuation Point in relation to any particular Sub-Fund) 2 plus such number of days (if any) as have intervened between the day on which the relevant Valuation Point falls and the day on which the immediately preceding Valuation Point fell or (if later) the Commencement Date relating to the relevant Sub-Fund;

b = the appropriate percentage fee in respect of the relevant class of Units in relation to that Sub-Fund;

c = the Net Asset Value of the relevant Sub-Fund as at the relevant Valuation Point or (if there shall then be in issue Units of two or more classes relating to that Sub-Fund) the portion of the Net Asset Value of the relevant Sub-Fund attributable to the relevant class in issue; and

d = ~~365~~ actual days of year”

8. Clause 7(B)(3) of the Principal Deed has been amended as follows:

“(3) The amount of Trustee Fee accruing in relation to that Sub-Fund as at any particular Valuation Point (the “**relevant Valuation Point**”) shall be such amount as is produced by applying the following formula, provided that (if there shall then be in issue Units of two or more classes relating to that Sub-Fund) the amount of Trustee Fee which shall accrue on the relevant Valuation Point shall be the aggregate amount produced by applying the following formula to each class of Units and by adding the amounts result from each such application:

$$\frac{a \times b \times c}{d}$$

where:

a = 1 or (in the case of the first Valuation Point in relation to any particular Sub-Fund) 2 plus such number of days (if any) as have intervened between the day on which the relevant Valuation Point falls and the day on which the immediately preceding Valuation Point fell or (if later) the Commencement Date relating to the relevant Sub-Fund;

b = the appropriate percentage fee in respect of the relevant class of Units in relation to that Sub-Fund;

c = the Net Asset Value of the relevant Sub-Fund as at the relevant Valuation Point or (if there shall then be in issue Units of two or more classes relating to that Sub-Fund) the portion of the Net Asset Value of the relevant Sub-Fund attributable to the relevant class in issue; and

d = ~~365~~ actual days of year”

9. Clause 1(C)(2)(c) of Appendix C of the Principal Deed has been amended as follows:

“(c) such amount (which shall be retained in the Trust) equal to the amount (if any) by which the Net Asset Value per Unit would be rounded ~~up~~ to the nearest 2 decimal places or in such manner and to such other number of decimal places as the Manager may determine from time to time after consulting the Trustee.”

10. Clause 1(D)(2) of Appendix E of the Principal Deed has been amended as follows:

“(2) such amount (which shall be retained in the Trust) equal to the amount (if any) by which such Net Asset Value per Unit would be rounded ~~down~~ to the nearest 2 decimal places or in such manner and to such other number of decimal places as the Manager may determine from time to time after consulting the Trustee.”

The above updates will be effective from 16 July 2012. The updated Explanatory Memorandum and Trust Deed will be available at our registered office at 27/F., Low Block, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong and on our website <http://www.gtja.com.hk> on or after 16 July 2012.

Should you have any questions or enquiries, please contact us at (852) 2509 7716.

Guotai Junan Assets (Asia) Limited
Manager

The Manager accepts full responsibility for the accuracy of the information contained in this notification as at the date of publication and confirms, having made all reasonable enquiries, which to the best of its knowledge and belief, there are no other facts the omission of which would make any statement misleading.

Investment involves risk. The information contained in this notification is for reference only, please refer to the Explanatory Memorandum of the Fund (including its sub-funds) for details including risk factors. If you are in any doubt about the contents of this notification, you should seek independent professional financial advice.