

DCI Investment Trust (the “Trust”)

Da Cheng China Balanced 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 December 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 18 December 2017 (the “**Effective Date**”) to reflect the following changes:

1. Directors of the Manager

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

2. Changes relating to investments in the PRC Inter-bank Bond Market

The Sub-Fund may currently invest in, amongst others, RMB denominated fixed income securities traded in the China inter-bank bond market. Direct investments in such securities in China’s domestic securities markets are made through the Manager’s status as a RQFII. With effect from the Effective Date, the Sub-Fund may invest in fixed income securities traded in the China inter-bank bond market via the Foreign Access Regime and/or Bond Connect (both as further described below), in addition to the RQFII regime.

Foreign Access Regime

The Foreign Access Regime is the over-the-counter market for bonds issued and traded in mainland China. A scheme was launched in 2016 to open up the China inter-bank market to eligible foreign institutional investors to access onshore bonds directly. Under this scheme, foreign institutions can trade bonds directly through onshore settlement agents (i.e. banks) in mainland China. There are no specific quota limits imposed on the foreign institutional investor. The Foreign Access Regime will offer an alternative opportunity for the Sub-Fund to access the Chinese onshore bonds market.

Northbound Trading Link under 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, 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.

Disclosure in the Revised Explanatory Memorandum has been updated to reflect the use of the Foreign Access Regime and/or Bond Connect and the relevant risks. For further information, please refer to the Revised Explanatory Memorandum including the sections titled “Investment in the PRC Inter-bank Bond Market via Foreign Access Regime” and “Investment in the PRC Inter-bank Bond Market via Northbound Trading Link under Bond Connect”. Investors’ attention is also drawn to the risks disclosed in the Revised Explanatory Memorandum, in particular, “Risks associated with PRC Inter-bank Bond Market”.

3. Changes to the method of submitting subscription applications, redemption requests and switching requests

With effect from the Effective Date, subscription applications, redemption requests and switching requests may be made in writing via any electronic means that may be accepted by the Trustee, in addition to the existing methods.

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

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

18 December 2017