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Investments involve risks, including the loss of principal. You are advised to consider your investment objectives and circumstances in determining the suitability of an investment in the Trust. An investment in the Trust may not be suitable for everyone.

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iShares Asia Trust

*a Hong Kong unit trust authorized under
Section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong*

iShares Core CSI 300 ETF
(HKD Counter Stock Code: 2846)
(RMB Counter Stock Code: 82846)
(USD Counter Stock Code: 9846)

iShares FTSE China A50 ETF
(HKD Counter Stock Code: 2823)
(RMB Counter Stock Code: 82823)

iShares Core MSCI China ETF
(HKD Counter Stock Code: 2801)
(USD Counter Stock Code: 9801)

iShares Core S&P BSE SENSEX India ETF
(HKD Counter Stock Code: 2836)
(USD Counter Stock Code: 9836)

iShares Core MSCI Asia ex Japan ETF
(HKD Counter Stock Code: 3010)
(RMB Counter Stock Code: 83010)
(USD Counter Stock Code: 9010)

iShares Core MSCI Taiwan ETF
(HKD Counter Stock Code: 3074)
(USD Counter Stock Code: 9074)

iShares NASDAQ 100 ETF
(HKD Counter Stock Code: 2834)
(USD Counter Stock Code: 9834)

iShares Core Hang Seng Index ETF
(HKD Counter Stock Code: 3115)
(RMB Counter Stock Code: 83115)
(USD Counter Stock Code: 9115)

iShares MSCI Emerging Markets ETF (HK)
(HKD Counter Stock Code: 3022)
(USD Counter Stock Code: 9022)

iShares Hang Seng TECH ETF
(HKD Counter Stock Code: 3067)
(USD Counter Stock Code: 9067)

iShares China Government Bond ETF
(HKD Counter Stock Code: 2829)
(RMB Counter Stock Code: 82829)
(USD Counter Stock Code: 9829)

iShares Short Duration China Policy Bank Bond ETF
(HKD Counter Stock Code: 3125)
(RMB Counter Stock Code: 83125)
(USD Counter Stock Code: 9125)

sub-funds of the iShares Asia Trust (the “Trust”)
(each a “Sub-Fund” and collectively, the “Sub-Funds”)

Announcement

The Manager of the Sub-Funds, BlackRock Asset Management North Asia Limited (the “**Manager**”), hereby announces the following changes to the Sub-Funds.

Unless specified otherwise, capitalised terms have the same meaning as stated in the relevant prospectus of the Sub-Funds (the “**Prospectus**”).

Investors should exercise caution in dealing with the Units of the Sub-Funds.

1. Introduction of securities lending transactions

Currently, each of the Sub-Funds does not engage in any securities lending transactions.

From 30 April 2024 (the “**Effective Date**”), the investment strategy of the Sub-Funds shall be amended such that each of the Sub-Funds may enter into securities lending transactions to a maximum level of 50% of its Net Asset Value (the “**Securities Lending Change**”). However, the Manager does not expect securities lending transactions in respect of each Sub-Fund to exceed one-third of the Net Asset Value of the relevant Sub-Fund.

The Manager will be able to recall the securities lent out at any time. All securities lending transactions will only be carried out in the best interest of the relevant Sub-Fund and as set out in the relevant securities lending agreement and where the associated risks have been properly mitigated and addressed. Such transactions may be terminated at any time by the Manager at its absolute discretion.

As part of the securities lending transactions, a Sub-Fund must receive cash and/or non-cash collateral of at least 100% of the value of the securities lent. The collateral will be marked-to-market on a daily basis and safekept by the Trustee (or its nominee, agent or delegate, or delegate(s) or agent(s) further appointed by such nominee, agent or delegate).

The valuation of the collateral generally takes place on trading day T. If the value of the collateral falls below 100% of the value of the securities lent on any trading day T, the Manager will call for additional collateral on trading day T, and the borrower will have to deliver additional collateral to make up for the difference in securities value by end of day on trading day T+2.

Non-cash collateral received may not be sold, reinvested or pledged. Any cash collateral received may only be reinvested in short-term deposits, high quality money market instruments and money market funds authorised under Chapter 8.2 of the Code or regulated in a manner generally comparable with the requirements of the SFC and acceptable to the SFC, and subject to corresponding investment restrictions or limitations applicable to such investments or exposure as set out in Chapter 7 of the Code.

To the extent a Sub-Fund undertakes securities lending transactions, all revenues (net of direct and indirect expenses as reasonable and normal compensation for the services rendered by the Manager, a securities lending agent and/or other service providers in the context of such transactions to the extent permitted by applicable legal and regulatory requirements) shall be returned to the Sub-Fund. The costs relating to securities lending transactions will be borne by the securities lending agent or the borrower.

Reason for the Securities Lending Change

The reasons for adding securities lending transactions to the investment strategy of the Sub-Funds is to generate additional returns for the Sub-Funds.

Additional risks due to the Securities Lending Change

Each of the Sub-Funds will be subject to additional risks associated with the Securities Lending Change, as set out below:

Securities lending transactions risks

Each Sub-Fund may be exposed to the following risks as a result of entering into securities lending transactions:

Counterparty risk – The borrower may fail to return the securities in a timely manner or at all. The Sub-Fund may as a result suffer from a loss or delay when recovering the securities lent out. This may restrict the relevant Sub-Fund's ability in meeting delivery or payment obligations from redemption requests.

Collateral level risk – As part of the securities lending transactions, each Sub-Fund must receive at least 100% of the valuation of the securities lent as collateral marked-to-market on a daily basis. However, there is a risk of shortfall of collateral value due to inaccurate pricing of the collateral, adverse market movements in the collateral value, change of value of securities lent or if a borrower does not provide additional collateral when required. This may cause significant losses to the relevant Sub-Fund if the borrower fails to return the securities lent out. The relevant Sub-Fund may also be subject to liquidity and custody risk of the collateral, as well as legal risk of enforcement.

A default by a counterparty combined with a fall in the value of the collateral below that of the value of the securities lent may result in a reduction in the value of the Sub-Fund. To the extent that the value of the collateral falls below 100% of the value of the securities lent for any reason (for example due to timing issues arising from payment lags), the Sub-Fund will have a credit risk exposure to the counterparties to the securities lending contracts.

To mitigate the abovementioned risks, the Sub-Fund benefits from a borrower default indemnity provided by BlackRock, Inc., whereby BlackRock Inc. indemnifies the Sub-Funds against a shortfall in collateral in the event of borrower default.

Operational risk – By undertaking securities lending transactions, each Sub-Fund is exposed to operational risks such as delay or failure of settlement. Such delays and failure may restrict the relevant Sub-Fund’s ability in meeting delivery or payment obligations from redemption requests.

Limit on securities lending – Investors should note that a limitation of maximum securities lending level by a Sub-Fund, at a time when demand exceeds such maximum level, may reduce potential income to a Sub-Fund that is attributable to securities lending.

Collateral risks

There are risks associated with management of collateral and re-investment of collateral. The value of any collateral received by a Sub-Fund may be affected by market events. In the case of collateral assets which are listed securities, the listing of such securities may be suspended or revoked or the trading of such securities on the stock exchanges may be suspended, and during the period of suspension or upon revocation, it may take longer to realise the relevant collateral assets. In the case of collateral assets which are debt securities, the value of such securities will be dependent on the creditworthiness of the issuers or obligors in respect of the relevant collateral assets. In the event any issuer or obligor of such collateral assets is insolvent, the value of the collateral assets will be reduced substantially and may cause the relevant Sub-Fund’s exposure to such counterparty to be under-collateralised. If a Sub-Fund reinvests cash collateral, it is subject to investment risk including the potential loss of principal which could result in the Sub-Fund being required to pay amounts equal to the deficiency to the counterparty when returning the cash collateral.

The risk disclosures in the relevant Prospectus and the Product Key Facts Statement (the “KFS”) of the Sub-Funds will be updated accordingly. Investors are urged to consider the risks of the investments of the Sub-Funds.

Impact on the Sub-Funds

The Securities Lending Change will not amount to a material change to the Sub-Funds. Other than as outlined above, the Securities Lending Change is not expected to change the operation of the Sub-Funds and/or the manner in which the Sub-Funds are being managed, nor will existing investors be affected as a result. Save as described above (including the additional risks disclosed above), there will not be any material changes to the features or increase in the overall risk profile of the Sub-Funds following the Securities Lending Change.

There is no change in the fee level of the Sub-Funds as a result of the Securities Lending Change.

The costs (including legal fees and translation fees) incurred in connection with the Securities Lending Change in this Announcement will be borne by the Manager and/or the securities lending agent. The Manager does not expect a substantive change to the ongoing charges figure and tracking difference of the Sub-Funds due to the Securities Lending Change. The Manager will monitor the ongoing charges figure and tracking difference and, if necessary, update the figures in the KFS, in accordance with the relevant SFC guidance.

The Manager determines that there are no matters or impact arising from the Securities Lending Change that may materially prejudice the existing investors’ rights or interests. The Securities Lending Change does not require Unitholders’ approval. The Trustee does not have any objection to the Securities Lending Change.

2. Change regarding provision of Chinese financial reports and notification upon publication of financial reports

To date, the audited annual financial reports and unaudited half-yearly financial reports in respect of the Sub-Funds have been made available to Unitholders in English and Chinese.

From the unaudited half-yearly financial report for the period ending 30 June 2024 onwards, all audited annual financial reports and unaudited half-yearly financial reports in respect of the Sub-Funds will be made available to Unitholders in English only. Such subsequent audited financial reports in English will be available from the Manager’s website at www.blackrock.com/hk (this website has not been reviewed by the SFC) within four months of the end of each financial year-end and unaudited financial reports in English will be available from the same website within two months of the end of the semi-financial year-end. Hard copies of these financial reports may also be obtained from the Manager free of charge.

Furthermore, from the Effective Date, no separate notice will be issued to Unitholders upon the publication of the financial

reports, unless there is any change in the means and/or timeframe for Unitholders to obtain the financial reports in which case prior notice will be given to Unitholders. The Trust Deed will be amended by way of a supplemental deed to reflect the foregoing change effective from the Effective Date.

For the avoidance of doubt, the audited annual financial report for the year ended 31 December 2023 will be published on or before 30 April 2024 in English and Chinese, but no separate notice will be issued to Unitholders upon the publication of the audited annual financial report for the year ended 31 December 2023.

3. Change in board of directors

Each of Ms Rachel Lord, Ms Belinda Mary Boa and Ms Sarah Rombom has resigned as director of the Manager with effect from 2 February 2024. Mr Hiroyuki Shimizu and Ms Aarti Angara have been appointed as directors of the Manager with effect from 2 February 2024. Accordingly, the Manager's board of directors currently comprises the following directors:

Susan Wai-Lan Chan
James Raby
Hiroyuki Shimizu
Aarti Angara

4. General

The relevant Prospectus and KFS of the Sub-Funds will be revised on or around the Effective Date to reflect the changes as describe above and other miscellaneous updates, as well as to set out a summary of the Manager's policies regarding securities lending transactions and collaterals. The revised Prospectus and KFS of the Sub-Funds will be uploaded onto the Manager's website at www.blackrock.com/hk (this website has not been reviewed by the SFC) and the Hong Kong Exchanges and Clearing Limited's website at www.hkex.com.hk on or around the Effective Date.

If you have any questions concerning this Announcement, please contact us on +852 3903 2823 or at 16/F Champion Tower, 3 Garden Road, Central, Hong Kong.

BlackRock Asset Management North Asia Limited

貝萊德資產管理北亞有限公司

as Manager of the Trust and the Sub-Funds

Hong Kong, 28 March 2024