

ASX Announcement

15 OCTOBER 2015



Manager
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AMP Capital China Growth Fund (ASX: AGF) Extraordinary General Meeting Response Statement and Proxy Form

In accordance with ASX Listing Rule 3.17.1, please refer to the attached Response Statement and Proxy Form in relation to the Extraordinary General Meeting of AMP Capital China Growth Fund convened by LIM Asia Multi-Strategy Fund Inc. to be held on 30 October 2015. These documents will be sent to all unitholders.

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AMP CAPITAL
FUNDS MANAGEMENT LIMITED
AS RESPONSIBLE ENTITY (RE) OF THE

AMP CAPITAL CHINA GROWTH FUND (ASX:AGF)

RESPONSE STATEMENT REGARDING THE RESOLUTION PROPOSED BY LIM ASIA MULTI-STRATEGY FUND INC TO AMEND AGF'S CONSTITUTION

The Directors of the RE of AGF, AMP Capital Funds Management Limited (AFSL 426455),
unanimously recommend that unitholders

VOTE AGAINST

THE LIM RESOLUTION

YOUR VOTE IS IMPORTANT

PLEASE LODGE YOUR YELLOW PROXY FORM
NO LATER THAN 12.00pm (AEDT) ON
28 OCTOBER 2015

15 October 2015

Dear unitholder,

As a unitholder of the AMP Capital China Growth Fund ("the Fund"), you would have recently received an unsolicited notice of meeting from LIM Asia Multi-Strategy Fund Inc., a Hong Kong-based fund. The notice of meeting convenes an extraordinary general meeting on 30 October 2015 for the purpose of voting on a special resolution to amend the Fund's constitution ("LIM Resolution").

I and my fellow Directors of AMP Capital Funds Management Limited, the responsible entity ("RE") of the Fund, have carefully reviewed the LIM Resolution and we unanimously **recommend you vote AGAINST** the LIM Resolution.

We have a number of significant concerns about the LIM Resolution, and believe that, if it becomes effective, it would adversely affect the Fund and your rights as a unitholder.

In summary, our main concerns relate to the fact that the LIM Resolution proposes to include a new provision in the Fund's constitution which, if passed, will give rise to a significant change to the rights of unitholders.

If the LIM Resolution was passed (and became effective), the proposed amendment to the Fund's constitution could result in unitholders having the ability to give the RE directions regarding the operation and investment of the Fund.

This would mean that the Fund would no longer, in all respects, be under the operation and management of the appointed responsible entity, who under the Corporations Act is obliged to operate the Fund in the best interests of all unitholders and to treat all unitholders equally. Further, the Fund could be subject to the control of a simple majority of unitholders, who are under no obligation to act in the best interests of all unitholders.

We have discussed these concerns in this Response Statement. You should read it carefully before deciding how to vote.

We also draw your attention to Section 4, which sets out the key reasons you should vote AGAINST the LIM Resolution:

#1 The LIM Resolution may be invalid.

#2 The LIM Resolution is unworkable and will create uncertainty for the Fund.

#3 The RE's proposal to enhance the Fund should be allowed to take effect.

#4 The LIM Resolution has a short-term orientation, which may not be in the long-term interests of all unitholders and could adversely impact Fund performance.

#5 The LIM Notice of Meeting has numerous shortcomings including several inaccuracies and deficiencies.

#6 The Fund remains one of the few ways for Australian retail investors to access actively-managed China A-shares. LIM's Resolution could result in substantial changes to the Fund.

A detailed explanation of these issues, along with other concerns, is set out in this Response Statement, and I encourage you to read it carefully before deciding how to vote.

We recognise that unitholders' holdings in the Fund are influenced by the discount that the Fund's units have traded at. In response to those concerns, a number of enhancements to the Fund were announced on 17 September 2015. The RE believes, and our research has shown, that these enhancements may make the Fund more attractive to new investors and increase demand. This could assist in narrowing the discount over the long term. We believe these measures should be given the opportunity to take effect and we have committed to monitoring the discount closely, along with other measures of performance, in assessing whether the Fund remains fit-for-purpose.

Your vote is important and, for the reasons outlined above and in this Response Statement, your Directors recommend you vote AGAINST the LIM Resolution. To do this, please complete the attached yellow proxy form and follow the instructions on the proxy form to return it. Discard the white proxy form sent you by LIM. If you have already returned a proxy form to LIM, but you now wish to change your vote, please complete the attached yellow proxy form and follow the instructions on it to return it to our registry.

If you are in doubt as to what you should do, you should consult your legal, investment or other professional adviser or the unitholder information line on 1800 658 404 (from within Australia) or +61 2 8048 8230 (from outside Australia).

Yours sincerely



Adam Tindall

Chairman

AMP Capital Funds Management Limited

Responsible entity of the AMP Capital China Growth Fund

RESPONSE STATEMENT



1. PURPOSE OF THE RESPONSE STATEMENT

The Directors of the responsible entity ("RE") of the AMP Capital China Growth Fund ("the Fund"), AMP Capital Funds Management Limited (AFSL 426455), unanimously recommend that unitholders vote **AGAINST** the resolution ("LIM Resolution") set out in the notice of meeting and explanatory memorandum issued by LIM Asia Multi-Strategy Fund Inc. ("LIM").

The purpose of this Response Statement is to outline the background to the Directors' recommendation and to address other matters relevant to the meeting, which has been convened by LIM. The RE recommends that unitholders read this Response Statement in full before making any decision as to how to exercise their vote at the extraordinary general meeting ("EGM").

2. OVERVIEW OF LIM NOTICE OF MEETING AND APPOINTMENT OF CHAIRMAN

LIM NOTICE OF MEETING

As unitholders of the Fund, you should have recently received an unsolicited notice of meeting from LIM ("LIM NoM"), a Hong Kong-based multi-strategy fund. The LIM NoM convenes an EGM, for the purposes of voting on the LIM Resolution.

LIM RESOLUTION

The LIM Resolution is a special resolution seeking to amend the Fund's constitution to insert a provision that in summary would require the RE to:

- ensure that the Discount of "Market Price" to the net asset value of the Fund ("Discount") be not more than 10% where the Discount is calculated in accordance with the following formula:

$$\text{Discount} = \frac{(\text{Net Fund Value per Unit} - \text{Market Price})}{\text{Net Fund Value per Unit}} \times 100\%$$

- calculate the Discount as at each calendar month end and publish the Discount on the ASX within 14 days of the calculation date; and
- convene a meeting of unitholders to enable unitholders to instruct the RE to undertake unspecified action approved by an ordinary resolution in relation to the operations and investments of the Fund, if the Discount calculated at 30 April 2016 or at any later month end is greater than 10% and a unitholder holding 5% or more of the issued units in the Fund convenes or requisitions the RE to convene a meeting within two months.

RESPONSIBLE ENTITY'S CONCERNS WITH THE LIM RESOLUTION AND THE LIM NOTICE OF MEETING

The RE has a number of significant concerns with the LIM Resolution and the LIM NoM, which are listed below and expanded on in this Response Statement.

CONCERN	FOR MORE INFORMATION
The LIM Resolution may be invalid	Section 4, Reason #1
If the LIM Resolution is passed, it may be unable to be implemented or may give rise to uncertainty regarding how your Fund is to be managed and operated	Section 4, Reasons #1 and #2
The LIM NoM contains a number of deficiencies and inaccuracies including certain statements that are misleading and deceptive and omissions of information	Section 4, Reason #5 and Section 5

Concurrently with issuing this Response Statement, the RE has written to LIM and outlined these matters. The Directors of the RE are considering what further action should be taken in relation to the validity of the LIM Resolution and the other shortcomings of the LIM NoM. The RE will update unitholders as to any action it decides to take in relation to the LIM NoM and of any substantive response it receives from LIM in relation to the RE's letter to LIM.

ELECTING THE CHAIRMAN OF THE EGM

Where a meeting is convened by a unitholder in accordance with the Corporations Act, the unitholders must elect a chairman at the meeting.

As the LIM Resolution affects the rights of unitholders and could have a material impact on the Fund, the RE believes it is important for the Chairman of the EGM to be a suitably qualified chairman, who is independent of the RE, the AMP Group and LIM. The RE has identified some potential candidates to act as Chairman of the EGM and is in discussions with some of those candidates. It expects that it will be in a position to advise unitholders prior to the EGM of the person the RE recommends be appointed as the Chairman of the EGM, that person's qualifications and their willingness to accept the appointment.

The vote on the Chairman can be conducted on a show of hands or on a poll. The RE recommends that unitholders request that the Chairman be elected on a poll. This will allow the wishes of all unitholders who vote (either in person or by appointing a proxy) to be taken into account in electing the Chairman. The RE is not aware of whether LIM intends to propose any other candidate to chair the EGM; the LIM NoM does not discuss the election of a Chairman. All formalities relating to the appointment of the Chairman can be dealt with at the EGM.

3. RESPONSIBLE ENTITY'S RECOMMENDATION

The Directors of the Responsible Entity have carefully considered the LIM Notice of Meeting and believe that the LIM Resolution is not in the best interests of unitholders. Accordingly, the Directors unanimously recommend that unitholders vote **AGAINST** the LIM Resolution.

To do this, please complete the attached yellow proxy form and return it as outlined on the proxy form.

Discard the white proxy form sent you by LIM.

If you have already returned a proxy form to LIM, but you now wish to change your vote, please complete the attached yellow proxy form and follow the instructions on it to return it to our registry.

To ensure your vote is counted, please return the yellow proxy form **by 12.00pm (AEDT) on 28 October 2015**.

For further information on how to vote, please see Section 6 of this Response Statement.

4. WHY YOU SHOULD VOTE AGAINST THE LIM RESOLUTION

#1 The LIM Resolution may be invalid.

If the LIM Resolution comes into effect and the Discount of 10% is triggered (see Reason #2 below), unitholders could (by a simple majority¹) give directions to the RE in relation to closing the Discount and concerning the operations and investments of the Fund more generally.

This is a significant departure from the current situation where a regulated, experienced and qualified² RE operates the Fund and makes all decisions concerning the management and operation of the Fund. This includes making decisions as to what steps, if any, should be taken to deal with any discount between the net asset value and the unit trading price.

The RE is subject to statutory duties designed to protect investors in operating the Fund including a duty to act in the best interests of all unitholders and to prefer the interests of unitholders over their own interests if those interests may conflict.

Under the LIM Resolution (if it becomes effective), it is intended that the RE would be required to act on any directions passed by a simple majority of unitholders. The Fund would no longer, in all respects, be under the operation and management of the appointed responsible entity. It may instead be subject to the control of some unitholders, who are under no obligation to act in the best interests of all unitholders.

Why could the LIM Resolution be invalid?

In simple terms, by giving unitholders unfettered rights to give directions to the RE, the requirements of the Corporations Act that the Fund be operated by the RE are not met. Other reasons for invalidity include:

- The LIM Resolution, if it became effective, could also be an invalid amendment because it introduces a provision into the constitution, which is not in compliance with the Corporations Act. A registered managed investment scheme, like the Fund, must have a binding fund constitution, which complies with the Corporations Act, and the responsible entity and its directors are under a statutory duty to ensure that this is the position.
- By fundamentally changing the rights of unitholders, including changing the circumstances by which a simple majority of unitholders can control the Fund, this may be an invalid exercise of the amendment power for registered managed investment schemes.

¹ At least 50% of unitholders present and voting.

² The Corporations Act requires that a registered managed investment scheme be operated by a responsible entity who must be an Australian public company who holds an Australian Financial Services License. Whilst the law permits the RE to delegate some of its responsibilities, the RE remains ultimately liable for any action taken by the person to whom it delegates.

#2 The LIM Resolution is unworkable and will create uncertainty for the Fund.

Why is the LIM Resolution unworkable and why does it create uncertainty?

As stated in the overview and Reason #1, the LIM Resolution enables unitholders to give directions to the RE in relation to closing the Discount and concerning the operations and investments of the Fund if:

- A “discount trigger” has occurred. A “discount trigger” will occur if the Discount of 10% is not achieved on 30 April 2016 or on any later testing date (being each calendar month end).
- After the “discount trigger” has occurred, a meeting of unitholders is requisitioned by any unitholder holding 5% or more of units in the Fund to approve the giving of specific directions to the RE.³

If the LIM Resolution is passed and becomes effective, the RE also considers that the LIM Resolution will be unworkable and will create uncertainty for the Fund. The key reasons are:

- There will be uncertainty as to who is managing the Fund. Unitholders who have not voted in favour of various directions may be in a position where other unitholders have assumed control of the Fund and become involved in day-to-day decision making in circumstances where they are not accountable, as the RE is, and they may not have the credentials and experience that the RE has.
- The “discount trigger” is a “hair trigger”. It causes a fundamental change in unitholder rights based on the position as at 30 April 2016 or each subsequent month end. This is inconsistent with the maintenance of long-term strategies for the Fund. This mechanism is also problematic because a measure of the Discount that takes a “snapshot” on a single-day could be heavily influenced by the trading activity on that particular day. There may be other more appropriate and representative ways of measuring the Discount such as using average figures over a reasonable period of time before the relevant testing date.
- If the “discount trigger” is activated, there could be multiple meetings convened to consider various resolutions, some of which may involve inconsistent strategies, and would not be required to have regard to the strategies being pursued by the RE of the Fund and current investment decisions of the RE. In some circumstances, unintended outcomes could arise. For example, persistent directions to implement capital management strategies involving capital return or redemption opportunities could lead to the Fund shrinking in size and becoming not “fit for purpose” leading to a wind-up outcome that was not envisaged.
- The Fund would be required to pay for the costs of any unitholder meeting proposed under the LIM Resolution.
- Through the directions mechanism, some changes could be made to the Fund by a 50% majority vote in circumstances where the Corporations Act would require a higher threshold such as an amendment to the constitution (a 75% majority) and a unitholder initiated winding-up resolution (extraordinary resolution).⁴ Under the LIM Resolution, if it becomes effective, these thresholds could be circumvented using the direction-making power.
- The RE, faced with conflicting directions, or directions which may not be legally capable of implementation, may be forced to seek advice from the courts as to how to proceed – the costs of which would be, in usual circumstances, paid for by the Fund.

³ Any such resolution would require 50% of votes cast to be in favour of that resolution.

⁴ Under the Corporations Act, 50% of all unitholders must vote in favour of a resolution to wind up the Fund (not just 50% of unitholders present and voting).

#3 The RE's proposal to enhance the Fund (as set out in the Strategic Review⁵) should be allowed to take effect.

The RE is committed to maximising the performance of the Fund and appreciates that the return experienced by unitholders is influenced by the discount.

In line with this, the RE completed a comprehensive Strategic Review and determined to make certain enhancements to the Fund in the best interests of all unitholders. These enhancements were to:

- | | | | | |
|--|--|--|---|---|
| A. Implement the Shanghai-Hong Kong Stock Connect trading platform | B. Alter the default DRP election to allow new investors to opt-in rather than requiring them to opt-out | C. Improve marketing of the Fund including the appointment of a dedicated Head of Investor Relations | D. Establishment of an ongoing Advisory Committee composed of external members ⁶ | E. Enhance the Fund's disclosure by providing daily NAV estimates and a breakdown of the Fund's fees to make the underlying components more transparent |
|--|--|--|---|---|

Taken together, the RE believes these changes should benefit unitholders, including by increasing demand, which could assist in narrowing the discount.

The RE has also adopted a discount reference point of 15% for considering the discount as part of the evaluation of whether the Fund remains fit-for-purpose. Accordingly, this reference point is also a useful proxy to monitor the effectiveness of the enhancements. Should the enhancements not reduce the discount below the reference point, the RE will consider additional strategic options to unlock value.

Investing in the China A-share market is complex. This is reflected in the fact that only certain investment advisers have authorisations to directly invest in this market. The RE and the Manager (AMP Capital Investors Limited) must consider several tax, repatriation and other jurisdictional issues when determining how to manage the Fund in the best interests of all unitholders.

The RE's experience in managing an Australian listed fund, and its expertise navigating the complexities of investing in the China A-share market, make it uniquely positioned to determine what actions are feasible and in the best interests of all unitholders. Unitholders, including LIM, may not have the necessary regulatory authorisation to access the breadth of the China A-share market available to the holder of a QFII (Qualified Foreign Institutional Investor) allocation such as the Manager. They may also lack the resources and experience to fully appreciate and understand these complexities. However, if the LIM Resolution becomes effective, the RE could be bound by the wishes of unitholders (comprising a simple majority) in relation to the operations and investments of the Fund, which do not have the benefit of the expertise and applicable authorisations of the Fund's current management.

Supporting LIM's Resolution could prematurely ignore the RE's enhancements, which were made as part of a comprehensive Strategic Review with the interests of all unitholders in mind.

#4 The LIM Resolution has a short-term orientation, which may not be in the long-term interests of all unitholders and could adversely impact the Fund's performance.

The LIM Resolution has a short-term orientation (i.e. reducing the Discount by 30 April 2016 or monthly thereafter) and its objectives are not necessarily aligned with other unitholder interests. As a sophisticated investor based in Hong Kong, LIM is able to gain exposure to the China A-share market through numerous vehicles and may not therefore be concerned with the longer-term impact of any directions given under the LIM Resolution.

This may conflict with the interests of other unitholders, particularly retail unitholders, in the following ways:

- If the LIM resolution becomes effective, the Fund could be required to sell China A-shares and hold additional cash in order to pay for capital management activities (i.e. redemption facilities) aimed at meeting the 10% Discount target in the near term (or be compelled to as part of a subsequent resolution).
- Capital management would decrease the amount of money available for the Fund to invest in China A-shares potentially reducing the long-term capital appreciation of the Fund (its core purpose).
- As described in the case studies given to unitholders on 17 September 2015, capital management may not have a long-term impact on reducing the discount and the remaining Fund could suffer from reduced scale, trading liquidity and operational flexibility (i.e. the Fund could be forced to sell shares during market lows to fund capital management reducing the investment performance) meaning unitholders that do not participate in the capital management would be disadvantaged.
- Capital management could have adverse tax consequences for the Fund and its unitholders. Should the Fund need to engage in capital management activities prior to receiving tax guidance from local authorities, it could result in the Fund being required to pay an incremental tax to repatriate funds on an accelerated basis. Capital management could also result in the need for unitholders to recognise taxable gains further eroding value.

⁵ The results of the Strategic Review were outlined in the ASX announcements of 17 and 23 September 2015.

⁶ External for the purposes of section 601JB of the Corporations Act.

While LIM may be able to reinvest any proceeds received from redemption facilities (i.e. buy-back or one-off withdrawal offers) or unit sales during a temporary reduction in the discount into other offshore vehicles, other unitholders may not have this option. Also, actions taken to improve the trading price in the near term pursued by directions under the LIM Resolution (if activated) could be short-term positive but have a negative impact on the Fund's long-term performance.

#5 The LIM Notice of Meeting has numerous shortcomings including several inaccuracies and deficiencies.

The RE has set out the main shortcomings that it has identified in the LIM Resolution and the LIM NoM in Section 2 and the reasons why you should vote against the LIM Resolution in Section 4 of this Response Statement. These sections identify significant concerns with the LIM NoM and the LIM Resolution.

In addition, there are other inaccuracies and deficiencies and these are summarised in the table in Section 5. At a high level, the issues identified are:

- The proposed strategies to meet the Discount target are unworkable.
- Performance metrics for the Fund are inaccurately disclosed.
- There is key information relevant to assessing the impact of the LIM Resolution on unitholders' rights, which is missing.
- There is material included that is not relevant to the LIM Resolution.
- There are misleading and deceptive statements.

#6 The Fund, in its present form, continues to provide one of the few ways for Australian retail investors to access the China A-share market. LIM's Resolution could result in substantial changes to the Fund.

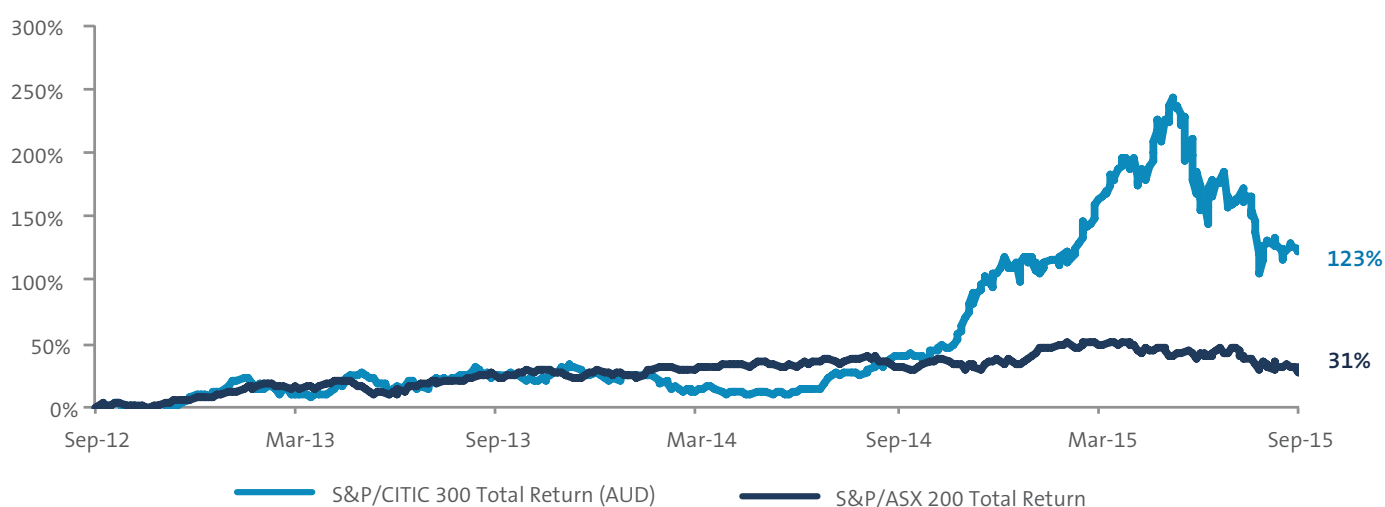
The Fund's original purpose was to provide Australian investors with access to the China A-share market. As set out in the product disclosure statement for the Fund issued for its initial public offering, the key investment objective is to achieve "long-term capital growth for investors by investing in China, with a focus on the China A-share market".

At present, the Fund continues to be one of the few ways for Australian retail investors to access the China A-share market. As noted in the RE's Strategic Review announcement on 17 September 2015, the RE believes that access to this market remains relevant for investors.

In support, the RE estimates that 95% of unitholders are Australian investors owning fewer than 100,000 units. There are currently no other comparable Australia-based, Australian dollar-denominated and actively-managed alternatives.

The RE further notes that the China A-share market has delivered strong returns to investors compared with a comparable local benchmark the S&P/ASX 200 Total Return Index, with the S&P/CITIC 300 Total Return Index (on an Australian dollars basis) outperforming the S&P/ASX 200 Total Return Index by 92% over the three years to 30 September 2015.⁷

BENCHMARK INDEX PERFORMANCE⁸



⁷ Data per Bloomberg.

⁸ Performance shown for the three years to 30 September 2015. Data per Bloomberg.

As noted in the RE's announcement on 17 September 2015, the Fund's performance on a net asset value and total unitholder return basis has generally outperformed its Tier 1 and Tier 2 Peers over both the short and long term.⁹

TOTAL UNITHOLDER RETURN (LOCAL CURRENCY)¹⁰

	3 MONTH	LTM	2 YEAR	3 YEAR	5 YEAR	AGF IPO
AMP CAPITAL CHINA GROWTH FUND (AUD)	(15.5)%	62.7%	65.4 %	135.7%	74.6%	77.1%
Tier 1 Peers						
HSBC China Dragon Fund (HKD)	(34.0)%	22.6%	31.8%	34.4%	1.1%	NA
MS China A Share Fund (USD)	(19.5)%	16.3%	32.3%	56.6%	19.6%	112.2%
Tier 2 Peers						
Templeton Dragon Fund (USD)	(15.4)%	(5.4)%	(0.3)%	5.2%	7.6%	62.6%
Aberdeen Greater China Fund (USD)	(15.7)%	(15.8)%	(13.2)%	(12.9)%	(20.7)%	(15.9)%
JPMorgan China Region Fund (USD)	(24.0)%	(5.1)%	(0.6)%	16.4%	0.1%	32.0%
Fidelity China Special Situations (GBP)	(21.6)%	2.7%	26.1%	70.5%	10.6%	NA
The China Fund, Inc. (USD)	(19.9)%	(7.7)%	3.0%	15.7%	(3.3)%	81.9%
JPMorgan Chinese Investment Trust (GBP)	(19.0)%	(6.9)%	4.4%	21.8%	4.8%	78.1%
Peer High	(15.4)%	22.6%	32.3%	70.5%	19.6%	112.2%
Peer Low	(34.0)%	(15.8)%	(13.2)%	(12.9)%	(20.7)%	(15.9)%

On the basis of the above, the RE believes that the Fund should continue in its present form (albeit with the enhancements described in Reason #3 of Section 4).

⁹ Tier 1 peers are those most comparable to the Fund, which have approximately 95% exposure to the China A-share market. Tier 2 peers are a group of actively managed closed-end funds with some/modest exposure to the China A-share market.

¹⁰ Data per Bloomberg. Total unitholder return as at 30 September 2015.

As announced on 23 September 2015, the RE recognises that returns realised by unitholders are influenced by the discount of the Fund's trading price per unit to the Fund's net asset value. For this reason the RE has determined, in consultation with the Fund's Advisory Committee, to consider the discount, along with other measures of Fund performance, in continuing to evaluate whether the Fund remains fit-for-purpose. The RE believes an appropriate reference point includes whether the discount is at a level of 15% or less.

The LIM Resolution, on the other hand, seeks to impose a 10% Discount target. The RE notes that neither the Fund nor its key peers have generally traded at or below a 10% discount on average during the last three years. This means that, based on recent experience, it is highly likely the 10% Discount target proposed by LIM would not be sustained over the long term. Accordingly, if the LIM Resolution becomes effective, it is likely that a unitholder (such as LIM) will have the right to call a general meeting to propose resolutions after 30 April 2016.

DISCOUNT TO NAV¹¹

	30 SEPT 2015	3M AVG.	6M AVG.	LTM AVG.	2 YR AVG.	3 YR AVG.
AMP CAPITAL CHINA GROWTH FUND	20.5%	24.5%	24.3%	21.9%	19.6%	20.2%
Tier 1 Peers						
HSBC China Dragon Fund (HK:0820)	20.9%	20.5%	23.0%	23.4%	23.1%	22.6%
MS China A Share Fund (CAF)	21.9%	26.0%	22.5%	16.5%	11.3%	8.2%
Tier 1 Peers - Avg.	21.4%	23.2%	22.8%	20.0%	17.2%	15.4%
Tier 2 Peers						
Templeton Dragon Fund (TDF)	10.5%	14.9%	14.2%	12.3%	11.6%	11.5%
Aberdeen Greater China Fund (GCH)	16.0%	15.7%	14.4%	12.8%	12.1%	10.8%
JPMorgan China Region Fund (JFC)	16.9%	16.8%	15.4%	13.9%	12.8%	12.3%
Fidelity China Special Situations (FCSS)	15.4%	16.6%	15.5%	13.7%	11.8%	9.7%
The China Fund, Inc. (CHN)	14.8%	14.6%	13.9%	12.3%	11.8%	11.2%
JPMorgan Chinese Investment Trust (JMC)	15.6%	15.9%	14.2%	12.6%	11.8%	11.7%
Tier 2 Peers - Avg.	14.9%	15.7%	14.6%	12.9%	12.0%	11.2%
Peer High	21.9%	26.0%	23.0%	23.4%	23.1%	22.6%
Peer Low	10.5%	14.6%	13.9%	12.3%	11.3%	8.2%
Peer Median	15.8%	16.3%	14.9%	13.2%	11.8%	11.3%

The RE notes that some of the proposed strategies put forward by LIM in Section 4 of the LIM NoM are substantial changes (to the extent they can be implemented at all – see Section 5). If those strategies were implemented, unitholders could be left in a situation where they own units in a fund that is significantly different from the Fund in which they originally invested.

Additionally, LIM is not restricted to proposing the outlined strategies in any subsequent general meeting. LIM or another unitholder that holds a relevant interest of at least 5% of the units on issue in the Fund could propose other actions including a wind up of the Fund.

¹¹ Data per Bloomberg as at 30 September 2015. Discount to NAV table based on available weekly estimate NAV 1.54, actual NAV 1.52.

5. INACCURACIES AND DEFICIENCIES IN THE LIM NOTICE OF MEETING

The RE has reviewed the LIM NoM and the accompanying materials and believes that they contain a number of inaccuracies and deficiencies (in addition to those described in Reasons #1 and #2 above). A description of material inaccuracies and deficiencies is set out in the table below.¹²

STATEMENT (IF RELEVANT)	SECTION OF LIM NOTICE (IF RELEVANT)	INACCURACIES AND DEFICIENCIES
The amendments to the Fund's constitution set out in the LIM Resolution would measure the Fund's discount on a single day beginning at 30 April 2016 with subsequent testing at the end of each calendar month	Notice of Meeting	<ul style="list-style-type: none"> • Testing the Discount at a point in time on a single day may not be representative of the true underlying discount of the Fund's trading price per unit to net asset value per unit. • There may be other more appropriate and representative ways of measuring the Discount such as using average figures over a reasonable period of time before the relevant testing date.
The Fund has continued to underperform since inception particularly because of the continued discount of trading price per unit to net asset value per unit	Sections 2.1 and 2.2	<ul style="list-style-type: none"> • LIM highlights that net asset value has risen by 10.1% per annum since inception and that, over the same period, there has been a 10.8% rise in the benchmark index although unitholders since launch have been adversely impacted by the discount of trading price to net asset value per unit. • This statement does not recognise that the performance will depend on the average per unit acquisition price for an investor and not the trading price discount to net asset value per unit. • The discount of trading price to net asset value has been consistent over a number of relevant time periods. Accordingly, performance for a number of investors has not been impacted by the discount. • For example, as at 31 August 2015, the Fund's three-year total return on a traded unit price basis was 125% as compared to 126% on the basis of net asset value.¹³ • Another relevant example is that LIM has invested at a weighted average discount of approximately 20% (based on its publicly disclosed purchases).
RE should make certain disclosures about the possible renewal of the Investment Contract with AMP Capital Investors Limited expiring on 9 November 2016	2.3	<ul style="list-style-type: none"> • Unitholders should ignore this section. It is irrelevant to a question of how unitholders might vote on the LIM Resolution. • There is no connection between the LIM Resolution and any vote to renew the management contract.
Competition from alternative investment funds is influencing the Discount as investors are selling units in the Fund to access China A-shares through other means	3	<ul style="list-style-type: none"> • While market access to the Chinese A-share market is liberalising, it is still relatively restricted: <ol style="list-style-type: none"> 1. Retail unitholders cannot directly purchase shares through Shanghai-Hong Kong Stock Connect. Acquisitions must be undertaken through certain brokers only and are still subject to quotas. There is also no program to access shares listed on the Shenzhen Stock Exchange, which represents 26% of the benchmark index (being the S&P/CITIC 300 Total Return Index). 2. LIM does not identify which competing products unitholders are buying; as previously mentioned the RE believes approximately 95% of unitholders are Australian with fewer than 100,000 units. There are currently no other comparable Australia-based, Australian dollar-denominated and actively-managed alternatives.

¹² In a letter from the RE to LIM previously referred to in this Response Statement, certain other inaccuracies were identified including missing text in clause 16.4(e) of the LIM Resolution, ambiguity in the formula in clause 16.4(a) of the LIM Resolution and inaccurate statements in relation to voting rights in section 7.2 of the LIM NoM.

¹³ Data per Bloomberg.

STATEMENT (IF RELEVANT)	SECTION OF LIM NOTICE (IF RELEVANT)	INACCURACIES AND DEFICIENCIES
<p>A number of additional strategies can be implemented to reduce the Discount including:</p> <ul style="list-style-type: none"> - converting the Fund into an open-ended vehicle - introducing a US dollar denominated class of units to the Fund 	4	<ul style="list-style-type: none"> • Generally, the ASX Listing Rules will prevent either converting the Fund into an open-ended vehicle or introducing a US dollar-denominated class of units to the Fund whilst the Fund remains listed. • Accordingly, to implement either strategy, the ASX would need to be consulted and would need to waive the applicable rules. • The RE may be able to implement this strategy if the Fund was delisted. However, delisting the Fund is something that would require the approval of unitholders and the ASX. • In the case of converting to an open-ended vehicle, there may be Chinese regulatory restrictions on repatriation of sufficient capital to fund redemption requests.
Missing disclosures	N/A	<p>The RE believes that a number of key risks have not been disclosed to unitholders in the NoM. Two key risks are tax risk and ASX risk.</p> <p>Tax risk</p> <ul style="list-style-type: none"> • There is a risk that the LIM Resolution could, if passed, lead to a Capital Gains Tax (“CGT”) event for the Fund and its unitholders. The effect would be as if the existing Fund had transferred all of its assets to a new trust at market value. This would crystallise any capital gains and/or losses for the Fund. In addition, any capital losses not able to be used to reduce capital gains on other assets of the Fund, and any carry forward revenue losses, would be lost. • Unitholders may also crystallise gains or losses on their units, effectively, as if they had disposed of units in the existing Fund and acquired units in a new trust. • On the basis of the Commissioner of Taxation’s (“Commissioner”) current stated position, there can be no certainty as to whether the Commissioner would take the view that the amendments would constitute a CGT event for unitholders and the Fund. Accordingly, unitholders should seek professional tax advice before deciding how they will vote on the LIM Resolution. To provide certainty for unitholders, the RE could seek a ruling from the Australian Tax Office as to the impact of the amendments on the tax position of the Fund and unitholders. However, it is highly unlikely that a ruling could be obtained prior to the date of the proposed EGM. <p>ASX risk</p> <ul style="list-style-type: none"> • As described above, if the LIM Resolution was to be passed, the Fund may become managed by security holders. We are not aware of any entity that is listed on the ASX that is managed by its security holders. • Accordingly, unitholders should be aware that there is a risk that the ASX may consider that it should delist the Fund if the LIM Resolution is passed on the basis that the Fund will no longer have an appropriate structure for listing.

6. FREQUENTLY ASKED QUESTIONS

Why am I receiving this document?	<p>LIM has convened a meeting of unitholders to be held at 12:00pm (AEDT) on 30 October 2015.</p> <p>The purpose of the meeting is to vote on a proposed amendment to the Constitution of the Fund.</p> <p>You should read this Response Statement carefully and in its entirety before deciding how to vote on the LIM Resolution.</p> <p>If you are in doubt as to what you should do, you should consult your legal, investment or other professional adviser or the unitholder information line set out below.</p>
What should I do with the enclosed yellow proxy form?	<p>If you wish to follow the recommendation of the RE and vote AGAINST the LIM Resolution, you should complete the enclosed yellow proxy form and return it by 28 October 2015 via one of the following methods:</p> <ul style="list-style-type: none"> • By post – Post the completed proxy form in the enclosed reply paid envelope or mail the completed proxy form to GPO Box 4195, Sydney, NSW, 2001. • By fax – Fax the completed proxy form to our registry, Computershare, at +61 2 8235 8133. • In person – Hand deliver the completed proxy form to our registry, Computershare, at Level 4, 60 Carrington Street, Sydney, NSW, 2001. <p>If you have already returned a proxy form to LIM, but you now wish to change your vote, please complete the attached yellow proxy form and follow the instructions above to return it.</p>
Who is Peter Rowe, the person who has been named as the specified proxy on the yellow proxy form?	<p>Peter Rowe is the Chairman of the Fund's Advisory Committee. He currently serves as Chairman of the Managed Investment Scheme Compliance Committee of AMP Capital Funds Management Limited and was previously a Partner of Herbert Smith Freehills from July 1989 to July 2001. Prior to his appointment in 2005 as Head of the Financial Services Group, Mr Rowe developed and led the securitisation practice of Herbert Smith Freehills. He joined Herbert Smith Freehills in 1986 as a Solicitor.</p>
Who is John Evans, the second person who has been named as the specified proxy on the yellow proxy form?	<p>John Evans is a member of the Fund's Advisory Committee. He is an Associate Professor in the Sydney Business School. From 2009-2012 he was Head of the School of Risk & Actuarial Studies at the UNSW. Previously, he served as Chairman of Emerging Leaders Investment Limited, and Chairman of several Risk and Compliance Committees of financial institutions. Mr Evans has also served as a Guardian of the New Zealand Superannuation Fund and consulted to several industry superannuation funds.</p>
What do I do if I have lost the yellow proxy form?	<p>A replacement yellow proxy form can be obtained by contacting the AMP Capital unitholder information line on:</p> <p>1800 658 404 (Toll free for calls within Australia) +61 2 8048 8230 (for callers outside Australia)</p> <p>The unitholder information line is available Monday to Friday between 8.30am and 5.30pm (AEDT).</p>
When do I need to return the yellow proxy form?	<p>Yellow proxy forms must be received by 12.00pm (AEDT) on 28 October 2015.</p>
How do I return the yellow proxy form?	<p>Completed yellow proxy forms should be returned via one of the following methods:</p> <ul style="list-style-type: none"> • By post – Post the completed proxy form in the enclosed reply paid envelope or mail the completed proxy form to GPO Box 4195, Sydney, NSW, 2001. • By fax – Fax the completed proxy form to our registry, Computershare, at +61 2 8235 8133. • In person – Hand deliver the completed proxy form to our registry, Computershare, at Level 4, 60 Carrington Street, Sydney, NSW, 2001. <p>If you have already returned a proxy form to LIM, but you now wish to change your vote, please complete the attached yellow proxy form and follow the instructions above to return it.</p>
Do I need to attend the meeting in person?	<p>No, you can appoint a proxy to vote on your behalf by completing a yellow proxy form, which must be received by 12.00pm (AEDT) on 28 October 2015.</p>
Who should I contact if I have further questions?	<p>If you are in doubt as to what you should do, you should consult your legal, investment or other professional adviser or the unitholder information line:</p> <p>1800 658 404 (Toll free for calls within Australia) +61 2 8048 8230 (for callers outside Australia)</p> <p>The unitholder information line is available Monday to Friday between 8.30am and 5.30pm (AEDT).</p>
How do I change my proxy if I have already sent the white proxy form back to LIM?	<p>If you have already submitted a proxy form in relation to the EGM but wish to change the way you voted, please complete and return the enclosed yellow proxy form according to the instructions above. If you need a new yellow proxy form, please contact the unitholder information line to arrange for a new form to be sent to you.</p>

If you have any further questions please contact the unitholder information line on 1800 658 404 (from within Australia) or +61 2 8048 8230 (from outside Australia).

CONTACTING AMP CAPITAL

For information about the AMP Capital China Growth Fund, please contact us via:

Unitholder Information line:

1800 658 404 (from within Australia) or
+61 2 8048 8230 (from outside Australia).

ampcapital.com.au/china



T 000001 000 AGF
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

S00000112Q01

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 4195 Sydney
New South Wales 2001 Australia

By Person:


Computershare Investor Services Pty Limited
Level 4, 60 Carrington Street, Sydney
New South Wales 2001 Australia

Alternatively you can fax your form to
+61 2 8235 8133

For all enquiries call:

(within Australia) 1800 658 404
(outside Australia) +61 2 8048 8230

Proxy Form

 **For your vote to be effective it must be received by 12:00pm (AEDT) on Wednesday 28 October 2015**

Please return your Proxy Form to us as soon as possible.

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite the item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on the item your vote will be invalid.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of AMP Capital China Growth Fund.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission.

Comments & Questions: If you have any comments or questions for AGF, please write them on a separate sheet of paper and return them with this form.

Turn over to complete the form ➔

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

I 9999999999

IND

Proxy Form

Please mark ☐ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of AMP Capital China Growth Fund hereby appoint

☐ Mr Peter Rowe

OR

PLEASE NOTE: Leave this box blank if you have selected Mr Peter Rowe. Do not insert your own name(s).

or failing him the individual or body corporate named, or if no individual or body corporate is named, Mr Peter Rowe, or failing him Mr John Evans, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, I/we will be deemed to have directed my/our proxy to vote against Resolution 1) or to the extent permitted by law, as the proxy sees fit (including, without limitation, to vote as the proxy sees fit on any procedural resolution or motion including to call a poll, on the appointment of any chairman of the meeting or on the destruction of the voting cards following the meeting) at the meeting of AMP Capital China Growth Fund to be held at the Wesley Conference Centre, the Lyceum Room, 220 Pitt Street, Sydney, NSW 2000 on Friday 30 October 2015 at 12:00 noon (AEDT) and at any adjournment or postponement of that meeting.

STEP 2

Item of Business

PLEASE NOTE: If you mark the **Abstain** box for the item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

Resolution 1

To amend the constitution of the AMP Capital China Growth Fund as stated in the Notice of Meeting

For

Against

Abstain

☐

☐

☐



Recommendation

We recommend that you vote **against** Resolution 1

For

Against

Abstain

☐

☒

☐

If you choose to appoint Mr Peter Rowe, the independent Chairman of the Managed Investment Scheme Compliance Committee of AMP Capital Funds Management Limited, as your proxy, or Mr Peter Rowe is appointed by default, it is expected that Mr Peter Rowe will vote undirected proxies against Resolution 1.

SIGN

Signature of Unitholder(s)

This section must be completed.

Individual or Unitholder

Sole Director and Sole Company Secretary

Unitholder 2

Director

Unitholder 3

Director/Company Secretary

Contact Daytime Telephone

Contact Daytime Telephone

Date

/

/