

**Notification**  
**Change in the Master Fund**  
**of Krungsri Global Small-Mid Cap Equity Dividend Fund**



We, Krungsri Asset Management Company Limited (the “Management Company”), refer to our management of Krungsri Global Small-Mid Cap Equity Dividend Fund (KF-SMCAPD) (the “Fund”) which invests in Franklin Global Small-Mid Cap Growth Fund, Class I (acc) - USD, the Master Fund since inception until present as you have been aware.

The Management Company has been tracking and assessing the Master Fund for a reasonable period of time and found that the net asset value (NAV) of the Master fund has continued to decline in value and its rate of return is relatively low when compared with other funds. According to the statement in KF-SMCAPD Project, Clause 3.11. “Details relating to the investment policy and special features”, Sub-clause 10. specifies that “In case the Management Company views that it is no longer appropriate to invest in Franklin Global Small-Mid Cap Growth Fund, Class I (acc) - USD, the Master Fund because the rate of return is not in accordance with the projection, for example, the Management Company reserves the right to allocate investment to another foreign fund that may or may not be under the same management of the previous foreign management company.

Therefore, in the best interest of the unitholders, the Management Company hereby announces the change in investment in the Master Fund. In doing so, the Management Company have performed a prudent search for a new foreign fund of consistent investment objectives and policies. Finally, the fund that meets the criteria is the **Schroder International Selection Fund - Global Smaller Companies, Class A Acc - USD**, details of which are as follows.

The Schroder International Selection Fund - Global Smaller Companies was established in 2006, having been managed by the Schroder Investment Management (Luxembourg) S.A. incorporated in the Luxembourg. As at 31 December 2016, its asset under management (AUM) was over USD 490,000 million. Unitholders may study the key information of the changes in the Comparison Table of the Original Master Fund and the New Master Fund attached hereto.

The above change in master fund shall take effect on **16 August 2017** onwards.

Should you have any queries or require any further information, please contact your account manager or our Client Service at 02-657-5757 press 2 or via email at [krungsriasset.clientservice@krungsri.com](mailto:krungsriasset.clientservice@krungsri.com).

Please be informed accordingly.

### Comparison Table of the Original Master Fund and the New Master Fund

Old	Changed to
<b>1. Name of Master Fund</b>	
Franklin Global Small-Mid Cap Growth Fund, Class I (acc) - USD which is registered and traded in Luxembourg.	Schroder International Selection Fund - Global Smaller Companies, Class A Acc - USD which is registered and traded in Ireland.
<b>2. Name of Management Company</b>	
Franklin Templeton International Services S.à r.l.	Schroder Investment Management (Luxembourg) S.A.
<b>3. Investment Objective and Policy</b>	
<p>The Fund's investment objective is capital appreciation.</p> <p>The Fund seeks to achieve its investment objective by investing principally in equity and/or equity-related securities (including warrants and convertible securities) of small- and mid-cap companies globally. In selecting equity investments, the Investment Manager employs an active, bottom-up fundamental research process to search for individual securities believed to possess superior risk-return characteristics.</p> <p>The Fund principally invests its net assets in the securities of issuers incorporated or having their principal business activities in any developed country in the world and which have a market capitalisation above USD 100 million and below USD 8 billion or the equivalent in local currencies at the time of purchase. The Fund's exposure to various regions and markets varies from time to time according to the Investment Manager's opinion as to the prevailing conditions and prospects for securities in these markets.</p> <p>Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may also seek investment opportunities in other types of transferable securities, which do not fulfil the requirements set out above.</p>	<p>The Fund aims to provide capital growth by investing in equity and equity related securities of small-sized companies worldwide.</p> <p>The Fund invests at least two-thirds of its assets in equity and equity related securities of small-sized companies worldwide.</p> <p>Small-sized companies are companies which, at the time of purchase, are considered to be in the bottom 30% by market capitalisation of each relevant equity markets.</p> <p>The Fund may also invest directly in China B-Shares and China HShares and may invest up to 10% of its assets in China A-Shares through Shanghai-Hong Kong Stock Connect.</p> <p>The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently. The Fund may also invest in money market instruments and hold cash.</p>
<b>4. Benchmark</b>	
MSCI World Small Cap NETR Index	S&P Developed SmallCap TR

The Management Company will use S&P Developed SmallCap TR in USD adjusted with the exchange rate as at the date of calculation of return to derive the THB equivalent as an indicator to assess performance of the Fund which is in line with the benchmark of the new master fund.