

Announcement

Amendment to the Mutual Fund Project of Krungsri Japan Hedged Dividend Fund and Krungsri Japan RMF



Krungsri Asset Management Company Limited (“the Management Company”) has been the manager of Krungsri Japan Hedged Dividend Fund (KF-HJAPAND) and Krungsri Japan RMF (KFJAPANRMF) (“the Funds”), both of which have the policy to invest in Eastspring Investments – Japan Dynamic Fund (Class A (hedged)) (“the Master Fund”) since inception.

The Management Company has pursued the monitoring and evaluation of the performance of the Master Fund for a certain period of time and found that the Master Fund did not generate satisfactory investment returns compared to other funds. By virtue of Clause 3.1.1 of the Mutual Fund Project regarding "Details of the Investment Policy and the Special Characteristics of the Fund", the Management Company reserves the right to change the Master Fund to any other foreign fund, which may or may not be the fund under management of the existing foreign fund management company in case that investing in the current Master Fund is no longer appropriate.

Accordingly, to ensure best interests of the investors, the Management Company proceeds to amend the mutual fund project and an approval has been granted by the Office of the Securities and Exchange Commission (“the SEC Office”). The Master Fund of the Funds is now changed to **JPMorgan Japan (Yen) Fund, Class (acc) – JPY**, a foreign fund with similar investment policy and objective, which has been established since 6 August 1969. The new Master Fund is managed by JPMorgan Funds (Asia) Limited and incorporated in Hong Kong with more than US\$ 272.2 million worth of assets under management as of 30 November 2019.

The important amendments to the mutual fund project pursuant to changes of investment in the Master Fund are summarized in the attached table.

The amendments to the mutual fund project as mentioned above shall be effective from 6 February 2020 onwards.

Should you have any queries, please contact your account manager or our Client Service at 02-657-5757 press 2 or via email at krungsriasset.clientservice@krungsri.com.

Please be informed accordingly.

Summary of the major amendments to the mutual fund project pursuant to changes of investment in the Master Fund

Old	New
1. Name of Master Fund	
Eastspring Investments – Japan Dynamic Fund (Class A (hedged)) which is registered and traded in Luxembourg.	JPMorgan Japan (Yen) Fund, Class (acc) - JPY which is registered and traded in Hong Kong.
2. Name of Management Company	
Eastspring Investments (Luxembourg) S.A.	JPMorgan Funds (Asia) Limited
3. Investment Objective and Policy of Master Fund	
The Fund aims to generate long-term capital growth through a concentrated portfolio of equities, equity-related securities, bonds, and currencies. The Fund will invest primarily in securities of companies, which are incorporated, listed in or have their area of primary activity in Japan. The Fund may also invest in depository receipts including ADRs and GDRs, convertible bonds, preference shares, warrants and fixed income securities issued by Japan entities.	<p>The investment policy of the Fund is to provide long-term capital growth through investment primarily in Japanese securities and other securities whose performance is linked to that of the Japanese economy.</p> <p>The Investment Manager seeks to assess the negative impact presented by certain environmental, social and governance factors on issuers in which the Fund may invest. While these factors are considered, securities of issuers which may be negatively impacted may be purchased and retained by the Fund.</p> <p>The Fund may also invest in derivatives such as options, warrants and futures for investment purposes and may under limited circumstances as considered appropriate by the Manager and the Investment Manager, hold substantial amounts of its portfolio in cash and cash based instruments.</p> <p>The Fund will have limited Renminbi (RMB) denominated underlying investments.</p>
4. Country Base for Order Processing	
Luxembourg	Singapore
5. Master Fund's Base Currency	
USD	Yen
6. Benchmark of Master Fund	
MSCI Japan Index (USD hedged)	TOPIX Net Total Return

The Management Company will use TOPIX Net Total Return Index in Yen currency 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.

Besides, the changes of investment in the Master Fund also contribute to changes in the Funds on the following matters, all of which shall be effective from 6 February 2020 onwards.

Description	Old	New
1. Actual management fee charged	1.0700% p.a. of NAV (Including value added tax)	0.8025% p.a. of NAV (Including value added tax)
2. Payment period of redemption proceeds	5 working days after the execution day excluding relevant Master Fund's holidays (T + 5)	4 working days after the execution day excluding relevant Master Fund's holidays (T + 4)
3. Redemption / switching-out closing time	3.30 pm.	2.30 pm.