Addendum dated May 2020 to the JPMorgan Funds (Unit Trust Range) Explanatory Memoranda dated April 2020

The following should be read in conjunction with and forms part of the JPMorgan Funds (Unit Trust Range) Explanatory Memoranda dated April 2020, as amended from time to time ("Consolidated Explanatory Memoranda"). All capitalised terms in this Addendum shall have the same meaning as in the Consolidated Explanatory Memoranda unless otherwise stated.

The following changes to the Consolidated Explanatory Memoranda shall apply with immediate effect:

Change to Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds:

- The third paragraph under the sub-section entitled "Fiscal Charges" under the section entitled "FEES, CHARGES AND LIABILITIES" shall be deleted and replaced with the following:

  "The maximum rate of fiscal charge applicable to the Funds/Classes may temporarily exceed 1% of the net asset value per unit of the relevant Funds/Classes in light of extreme market conditions, following robust internal governance processes and methodologies of the Manager.

  The following Funds set out in Appendix I of Section A, Sections B and C are subject to fiscal charges:

  JPMorgan ASEAN Fund
  JPMorgan Asia Equity Dividend Fund
  JPMorgan Australia Fund
  JPMorgan China A-Share Opportunities Fund
  JPMorgan China Income Fund
  JPMorgan Asian Smaller Companies Fund
  JPMorgan Europe High Yield Bond Fund
  JPMorgan Europe Strategic Dividend Fund
  JPMorgan Global Bond Fund
  JPMorgan Global Property Income Fund
  JPMorgan India Fund
  JPMorgan India Smaller Companies Fund
  JPMorgan Indonesia Fund
  JPMorgan Japan (Yen) Fund
  JPMorgan Korea Fund
  JPMorgan Malaysia Fund
  JPMorgan Money Fund
  JPMorgan Multi Balanced Fund
  JPMorgan Multi Income Fund
  JPMorgan Pacific Securities Fund
  JPMorgan Pacific Technology Fund
  JPMorgan Philippine Fund
  JPMorgan Thailand Fund
  *JPMorgan Asian Total Return Bond Fund**
  *JPMorgan Asia Growth Fund**
  *JPMorgan China Pioneer A-Share Fund**
  *JPMorgan Evergreen Fund**
  *JPMorgan Vietnam Opportunities Fund**

  ** Fiscal charges are applicable to these Funds/Classes of these Funds on a temporary basis in light of extreme market conditions."*

Change to the Explanatory Memorandum of JPMorgan Asian Total Return Bond Fund in SECTION B – EXPLANATORY MEMORANDA OF BOND AND CURRENCY FUNDS:

- The following shall be added as a new sub-section after the sub-section entitled "Trustee Fee" in the section entitled "FEES, CHARGES AND LIABILITIES":

  "Fiscal Charges

  For details of the fiscal charges policy of the Fund, please refer to the sub-section entitled "Fiscal Charges" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds."

Change to the Explanatory Memoranda of JPMorgan Asia Growth Fund, JPMorgan China Pioneer A-Share Fund, JPMorgan Evergreen Fund, and JPMorgan Vietnam Opportunities Fund in SECTION C – EXPLANATORY MEMORANDA OF OTHER FUNDS:

- The following shall be added as a new sub-section after the sub-section entitled "Trustee Fee" in the section entitled "FEES, CHARGES AND LIABILITIES":

  "Fiscal Charges

  For details of the fiscal charges policy of the Fund, please refer to the sub-section entitled "Fiscal Charges" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds."

Explanatory Memoranda - April 2020

JPMorgan Funds

Unit Trust Range

J.P.Morgan
Asset Management

JPMorgan Funds (Asia) Limited and JF India Management Limited accept full responsibility for the accuracy of the information contained in these Explanatory Memoranda related to the funds managed by them respectively and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement misleading as at the date of publication.

Selling Restrictions

General: No action has been taken to permit an offering of units in the funds specified in Sections A, B and C ("JPMorgan Funds (Unit Trust Range)"), or the distribution of these Explanatory Memoranda, in any jurisdiction where action would be required for such purpose, other than Hong Kong and certain other jurisdictions. For details, please contact the relevant manager or the Hong Kong representative of JPMorgan Funds (Unit Trust Range). Accordingly, these Explanatory Memoranda are not offers or solicitation in any jurisdictions or in any circumstances in which such offers or solicitation are not authorised or to any persons to whom it is unlawful to make such offers or solicitation.

United States: The JPMorgan Funds (Unit Trust Range) have not been registered under the United States (the "US") Securities Act, as amended, (the "Act") or under any similar or analogous provision of law enacted by any jurisdiction in the US. The units may not be offered or sold to any US Person unless the Manager, at its absolute discretion, grants an exception. For this purpose, a US Person is one falling under the definition of US Person under the Act, under the guidelines set forth by the US Commodities Futures Trading Commission in its Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations, as amended, or under the US Internal Revenue Code ("IRC") as specified below or under the US federal income tax law (as described below under paragraphs 1 through 4), or a non-US entity with certain US owners (as described below under paragraph 5):

1. An individual who is a citizen of the US or a resident alien for US federal income tax purposes. In general, the term "resident alien" is defined for this purpose to include any individual who (i) holds an Alien Registration Card (a "green card") issued by the US Citizenship and Immigration Services or (ii) meets a "substantial presence" test. The "substantial presence" test is generally met with respect to any calendar year if (i) the individual was present in the US on at least 31 days during such year and (ii) the sum of the number of days in which such individual was present in the US during such year, 1/3 of the number of such days during the first preceding year, and 1/6 of the number of such days during the second preceding year, equals or exceeds 183 days;

2. A corporation, an entity taxable as a corporation, or a partnership, created or organised in or under the laws of the US or any state or political subdivision thereof or therein, including the District of Columbia (other than a partnership that is not treated as a US person under Treasury Regulations);

3. An estate the income of which is subject to US federal income tax regardless of the source thereof;

4. A trust with respect to which a court within the US is able to exercise primary supervision over its administration and one or more US persons have the authority to control all of its substantial decisions, or certain electing trusts that were in existence on August 20, 1996 and were treated as domestic trusts on August 19, 1996; or

5. A Passive Non-Financial Foreign Entity ("Passive NFFE") with one or more "Controlling Persons" (within the meaning of any Intergovernmental Agreement relating to the Foreign Account Tax Compliance Act (as set forth in Sections 1471 through 1474 of the IRC ("FATCA")) that may be entered into by the US and any other jurisdiction ("IGA")) that is a US Person (as described above under paragraph 1). A Passive NFFE is generally a non-US and non-financial institution entity that is neither a "publicly traded corporation" nor an "active NFFE" (within the meaning of the applicable IGA).

United Kingdom: These Explanatory Memoranda are not available for general distribution in, from or into the United Kingdom because the JPMorgan Funds (Unit Trust Range) are unregulated collective investment schemes whose promotion are restricted by sections 238 and 240 of the Financial Services and Markets Act 2000. When distributed in, from or into the United Kingdom these Explanatory Memoranda are only intended for investment professionals, high net worth companies, partnerships, associations or trusts and investment personnel of any of the foregoing (each within the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005), persons outside the European Economic Area receiving them electronically, persons outside the United Kingdom receiving them non-electronically and any other persons to whom they may be communicated lawfully. No other person should act or rely on them. Persons distributing these Explanatory Memoranda in, from or into the United Kingdom must satisfy themselves that it is lawful to do so.

Singapore: Certain JPMorgan Funds (Unit Trust Range) (the "Restricted Funds") have been entered onto the list of restricted schemes maintained by the Monetary Authority of Singapore (the "MAS") for purpose of restricted offer in Singapore pursuant to section 305 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA") and the list of Restricted Funds may be accessed at the MAS website at https://eservices.mas.gov.sg/cisnetportal/jsp/list.jsp.

The Units of the Restricted Funds are capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

The Restricted Funds are not authorised or recognised by the MAS, and the units in the Restricted Funds are not allowed to be offered to the retail public in Singapore. An offer of units of each Restricted Fund is made under and in reliance of sections 304 and/or 305 of the SFA.

These Explanatory Memoranda and any other document or material issued in connection with this offer or sale of the Restricted Funds is not a prospectus as defined in the SFA and has not been registered as a prospectus with the MAS. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should consider carefully whether the investment is suitable for you after reviewing these Explanatory Memoranda.

These Explanatory Memoranda and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Restricted Funds may not be circulated or distributed, nor may the units be offered or sold, or be made the subject of an invitation for subscription or purchase, pursuant to these Explanatory Memoranda whether directly or indirectly, to persons in Singapore other than (a) to an institutional investor, and in accordance with the conditions specified in section 304 of the SFA; (b) to a relevant person pursuant to section 305(1), or any person pursuant to section 305(2) of the SFA, and in accordance with the conditions specified in section 305 of the SFA; or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where units of the Restricted Funds are subscribed or purchased under section 305 by a relevant person which is:

(i) a corporation (which is not an accredited investor (as defined in section 4A of the SFA)) the sole business of which is to hold investments, and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) the sole purpose of which is to hold investments, and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in section 2 (1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the units pursuant to an offer made under section 305 of the SFA except:

(1) to an institutional investor or to a relevant person defined in section 305(5) of the SFA, or to any person arising from an offer referred to in section 275(1A) or section 305A(3)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in section 305A(5) of the SFA; or

(5) as specified in Regulation 36A of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 of Singapore.

Investors should note further that the other funds referred to in these Explanatory Memoranda other than the Restricted Funds, are not available to Singapore investors and references to such other funds is not and should not be construed as an offer of units of such other funds in Singapore.

Investors in Singapore should note that if they wish to obtain information on the past performance and a copy of the annual report of the Funds, they should contact the relevant distributors to obtain such information.

Mauritius: These Explanatory Memoranda may not be distributed in Mauritius nor shall the units be offered for sale or transfer to a resident of Mauritius except where the approval of the Financial Services Commission of Mauritius ("Mauritius FSC") has been obtained.

British Virgin Islands: The JPMorgan Funds (Unit Trust Range), these Explanatory Memoranda and the units offered hereby have not been, and will not be, recognised or registered under the laws and regulations of the British Virgin Islands. The units may not be offered or sold in the British Virgin Islands except in circumstances in which the JPMorgan Funds (Unit Trust Range), these Explanatory Memoranda and the units do not require the recognition by or registration with the authorities of the British Virgin Islands.

Australia: This is an offer to apply for interests in the funds specified in Sections A, B and C ("Funds") and is made by JPMorgan Funds (Asia) Limited ("JPMFAL") on behalf of the Funds. Pursuant to ASIC Class Order 03/1103, JPMFAL is exempt from the requirement to hold an Australian financial services licence under the Corporations Act 2001 (Cth) (Corporations Act) in respect of the financial services provided by JPMFAL in Australia. JPMFAL is regulated by the Securities and Futures Commission ("SFC") under the laws of Hong Kong, which differ from Australian laws. JPMFAL is responsible for the information contained in these Explanatory Memoranda when distributing in Australia.

The Placement Agent for the Funds is JPMorgan Asset Management (Australia) Ltd ("JPMAM (Aus)"). JPMAM (Aus) holds Australian Financial Services Licence No.376919.

These Explanatory Memoranda are not a disclosure document nor product disclosure statement within the meaning of the Corporations Act 2001 (Cth) (Corporations Act). These Explanatory Memoranda may not contain the same level of disclosure as those documents and have not been, and are not required to be, lodged with the Australian Securities & Investments Commission ("ASIC"). An investment in the Funds involves significant risks which could include delays in repayment, and loss of income and capital invested. See "RISKS" in the Explanatory Memoranda for further information in relation to those risks.

Neither the Funds nor JPMFAL or their respective directors, employees, agents, officers or advisers ("Specified Persons") assume liability to any person in connection with an investment in the Funds or guarantees the performance of the Funds or the meeting of any investment objectives, the repayment of capital or any particular rate of return. Investments in the Funds are not deposits or a debt obligation of, and are not guaranteed by, the Specified Persons. Past performance is not indicative of future performance.

Interests in the Funds are offered and issued subject to the terms and conditions set out in these Explanatory Memoranda.

JPMFAL has taken all reasonable care to ensure that the information contained in these Explanatory Memoranda is accurate as of the date of these Explanatory Memoranda (or such other date as stated herein). Under no circumstances should the delivery of these Explanatory Memoranda, irrespective of when it is made, create an inference that there has been no change in the affairs of the Funds since such date.

The Specified Persons make no representations as to the accuracy or completeness of the information in these Explanatory Memoranda. The Specified Persons accept no liability for any loss or damage suffered or incurred by any investor in the Funds or any other person or entity however caused relating in any way to these Explanatory Memoranda (including, without limitation, the accuracy or completeness of the information, any errors or omissions or any other written or oral communications made by any Specified Person in relation to these Explanatory Memoranda).

No Investment or Tax Advice

These Explanatory Memoranda are provided for information purposes only and are not intended to be, and do not constitute, a recommendation by JPMFAL or any other Specified Person to make an investment in the Funds or constitute a basis for any investment decision to do so. The information in these Explanatory Memoranda is general information only and does not take into account the investment objectives, financial and/or tax situation or needs of any particular person and may not contain all of the information that a prospective investor needs to make an investment decision.

Consequently, each prospective investor should, before investing in the Funds, conduct their own investigation and analysis of the investment (including, without limitation, consideration and review of the documents referred in these Explanatory Memoranda) and consider the appropriateness of the investment having regard to the prospective investor's objectives, financial situations and needs. Each prospective investor is encouraged to seek independent legal advice, financial and taxation advice before making any decision with respect to the Funds.

Distribution

The offer described in these Explanatory Memoranda is only available to residents of Australia who are 'wholesale clients' as defined in the Corporations Act. These Explanatory Memoranda shall not constitute an offer of interests in any jurisdiction in which, or to any person to whom, it would be unlawful to offer the interests under these Explanatory Memoranda. None of the interests offered have been approved or disapproved by ASIC, and neither ASIC, the SFC, which is the regulatory and supervisory authority of the Funds in Hong Kong, nor any such other authority has passed upon the accuracy or adequacy of these Explanatory Memoranda, nor is it intended that the SFC, ASIC or any such other authority will do so. None of the interests will be registered in Australia under the Corporations Act. There will be no public market in Australia for any of the interests.

Each prospective investor must be prepared, through an investment in the Funds, to bear the economic risk of an investment in the Funds as set forth in these Explanatory Memoranda. Prospective investors should have the financial ability and willingness to accept the risks (including, among other things, the risk of loss of their entire investment or lack of liquidity in the interests) that

may be characteristic of an investment in the Funds and should consult their financial advisors regarding the appropriateness of making investments in interests in the Funds.

Privacy and Anti-Money Laundering

Privacy

The Placement Agent collects personal information to be able to process a prospective investor's application, administer its investment and comply with any relevant laws. If a prospective investor does not provide the Placement Agent with its relevant personal information, the Placement Agent will not be able to do so.

Privacy laws apply to the Placement Agent's handling of personal information and it will collect, use and disclose personal information in accordance with its privacy policy, which includes details about the following matters:

- the kinds of personal information the Placement Agent collects and holds;
- how the Placement Agent collects and holds personal information;
- the purposes for which the Placement Agent collects, holds, uses and discloses personal information;
- how to access personal information that the Placement Agent holds about an investor and seek correction of such information (note that exceptions apply in some circumstances);
- how to complain about a breach of the Australian Privacy Principles (**APP**), or a registered APP code (if any) that binds the Placement Agent, and how the Placement Agent will deal with such a complaint; and
- whether the Placement Agent is likely to disclose personal information to overseas recipients and, if so, the countries in which such recipients are likely to be located if it is practicable for it to specify those countries.

The Placement Agent may also give personal information to service providers of the Funds, including the administrators, legal counsel, accountants and their related bodies corporate ("Service Providers") which may require transferring such information to entities located outside Australia where it may not receive the level of protection afforded under Australian law. The Placement Agent and the Service Providers may use personal information collected about such investors to notify them of other products.

The Placement Agent privacy policy is available on its website at www.jpmorgan.com/au/am/ or a free of charge copy can be obtained by contacting the Placement Agent.

Tax

Please note that the tax information contained in these Explanatory Memoranda may not be applicable to Australian investors. The Placement Agent does not provide any tax or regulatory advice. None of the Placement Agent, the Funds, or their respective directors, employees, agents, officers or advisers have or will be providing tax advice in relation to an investment in the Funds. Each prospective investor must therefore seek independent taxation advice before making any decision with respect to the Funds.

Queries

JPMAM (Aus), as placement agent, will be available to discuss the information contained in these Explanatory Memoranda with prospective investors and to answer questions in Australia about the Funds, to the extent that responsive information is available or can be acquired without undue effort or expense.

Inquiries from prospective investors should be directed to:

JPMorgan Asset Management (Australia) Limited
Level 31, 101 Collins Street
Melbourne, VIC 3000
Phone: 03 9633 4000
jpmorgan.funds.au@jpmorgan.com

Distribution of these Explanatory Memoranda are not authorised in any jurisdiction unless they are accompanied by copies of the most recent annual financial report of the relevant funds and, if later, the most recent interim financial report. Such annual financial report and interim financial report (where applicable) will form part of these Explanatory Memoranda.

Units will be offered on the basis only of the information contained in these Explanatory Memoranda, such annual financial report and such interim financial report. Any further information or representations made by any dealer, salesperson or other person must be regarded as unauthorised and accordingly must not be relied upon. Neither the delivery of any of the foregoing documents nor any offer, issue or sale of units shall, under any circumstances, constitute a representation that the information given in any such document is correct as of any time subsequent to the date of such document.

In these Explanatory Memoranda references to "Australian dollars" and the sign "AU$" are to the currency of Australia, references to "Canadian dollars" and the sign "CA$" are to the currency of Canada, references to "Chinese renminbi" and the sign "RMB" are to the currency of the People's Republic of China, references to "Euro" and the sign "EUR" are to the official single European currency adopted by a number of EU Member States participating in the Economic and Monetary Union (as defined in European Union legislation), references to "US dollars" and the sign "US$" are to the currency of the United States of America, references to "HK dollars" and "HK$" are to the currency of Hong Kong Special Administrative Region, People's Republic of China ("Hong Kong"), references to "Japanese yen" are to the currency of Japan, references to "New Zealand dollars" and the sign "NZ$" are to the currency of New Zealand, references to "Singapore dollars" and the sign "SG$" are to the currency of Singapore and references to "Sterling" and "GBP" are to the currency of the United Kingdom.

Unless otherwise provided herein, words and expressions defined in the relevant trust deed of the JPMorgan Funds (Unit Trust Range) shall have the same meaning when used in the relevant Explanatory Memorandum and words denoting the singular number shall be deemed to include the plural number and vice versa.

If you are in any doubt about the contents of these Explanatory Memoranda, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other financial adviser. Prospective investors should review these Explanatory Memoranda carefully and in its entirety and consult with their legal, tax and financial advisers in relation to (i) the legal and regulatory requirements within their own countries for the subscription, purchase, holding, conversion, redemption or disposition of units of the JPMorgan Funds (Unit Trust Range); (ii) any foreign exchange restrictions to which they are subject in their own countries in relation to the subscription, purchase, holding, conversion, redemption or disposition of units of the JPMorgan Funds (Unit Trust Range); (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, converting, redeeming or disposing of units of the JPMorgan Funds (Unit Trust Range); and (iv) any other consequences of such activities.

JPMorgan India Fund and JPMorgan India Smaller Companies Fund (each an "India Fund", collectively the "India Funds") are incorporated under the laws of Mauritius. Each India Fund holds a Category 1 Global Business Licence issued by the Mauritius Financial Services Commission ("Mauritius FSC") pursuant to the Financial Services Act 2007 of Mauritius. Each licence is granted for a period of one year on a rolling basis. While the Directors of JPMorgan Funds (Asia) Limited and/or JF India Management Limited (as the case may be) expect that each India Fund's respective licence will be renewed on a regular basis and will conduct the affairs of the India Funds so they will qualify for such renewal, there is no guarantee that the licence will be so renewed. If the licence is not renewed, it is likely that the relevant India Funds will have to be liquidated.

The India Funds are authorised by the Mauritius FSC to operate as collective investment schemes and thus are classified as global schemes pursuant to the Securities Act 2005 of Mauritius and the regulations made thereunder. Units of the India Funds are offered to the public in Hong Kong and are classified as reporting issuers as defined under the Securities Act 2005 of Mauritius.

It must be understood that by giving its authorization, the Mauritius FSC does not vouch for the financial soundness and correctness of any of the statements made or opinions expressed with regard to the India Funds. Investors are not protected by any statutory compensation arrangements in Mauritius in the event of failure of the India Funds.

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SECTION A – CONSOLIDATED EXPLANATORY MEMORANDA OF ASIA PACIFIC EQUITY FUNDS

INTRODUCTION

The main part of the Consolidated Explanatory Memoranda in Section A contains general provisions which apply to each of the funds in Appendix I of Section A (individually, a "Fund" and collectively, the "Funds"). Specific details of each Fund are described in the relevant section of Appendix I. Certain provisions in the main part of the Consolidated Explanatory Memoranda in Section A also apply to the Funds in Section B and Section C.

The Consolidated Explanatory Memoranda, together with its appendices, may be modified from time to time with the approval of the Securities and Futures Commission ("SFC") of 35/F, Cheung Kong Center, 2 Queen's Road Central, Hong Kong, Tel (852) 2231 1222 and Fax (852) 2521 7836.

The Funds are unit trusts constituted by their respective trust deeds, as amended from time to time (individually, a "Trust Deed" and collectively, the "Trust Deeds") and governed by the laws of Hong Kong or Mauritius (as the case may be). The governing law and date of the Trust Deed of each Fund are described in the relevant section of Appendix I.

The offer or invitation for subscription or purchase of the units of the Funds is regulated by the SFC and the Funds have been authorised or deemed to have been authorised as collective investment schemes by the SFC under section 104 of the *Securities and Futures Ordinance* (Cap. 571 of the Laws of Hong Kong) ("SFO") and the Code on Unit Trusts and Mutual Funds ("SFC Code"). SFC authorisation is not a recommendation or endorsement of the Funds nor does it guarantee the commercial merits of the Funds or their performance. It does not mean the Funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.

FUND PARTIES

With the exception of JPMorgan India Fund, JPMorgan Funds (Asia) Limited is the manager of the Funds, is incorporated with limited liability under the laws of Hong Kong and is regulated by the SFC. JF India Management Limited is the manager of JPMorgan India Fund, is incorporated with limited liability under the laws of the British Virgin Islands and is regulated by the British Virgin Islands Financial Services Commission ("BVI FSC") of Pasea Estate, P.O. Box 418 Road Town, Tortola, VG 1110 British Virgin Islands, Tel (284) 494 1324 and Fax (284) 494 5016. The Funds are managed by JPMorgan Funds (Asia) Limited or JF India Management Limited (as the case may be) ("Manager"), both of which are part of the JPMorgan Chase & Co. group of companies.

JPMorgan Funds (Asia) Limited has been appointed by JF India Management Limited as the Hong Kong representative to represent JF India Management Limited in Hong Kong generally in relation to the affairs of JPMorgan India Fund ("Hong Kong Representative").

Day-to-day investment management of the Funds has been delegated to JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited) ("Investment Manager"), a company incorporated with limited liability in Hong Kong. For certain Funds, the Investment Manager has appointed a sub-manager ("Sub-Manager") to manage a part or all of that Fund's assets and/or an investment adviser to provide non-discretionary investment advice to the Investment Manager. Such appointments are described in the relevant section of Appendix I.

JPMorgan Funds (Asia) Limited, as Manager and/or Hong Kong Representative (as the case may be), will receive applications for units from prospective investors, deal with redemption requests and other enquiries from unitholders and provide such unitholders with information on the Funds.

HSBC Institutional Trust Services (Asia) Limited ("HTHK"), the trustee of certain Funds established in Hong Kong as described in the relevant section of Appendix I, is incorporated in Hong Kong and is registered as a trust company under the Trustee Ordinance in Hong Kong. It is an indirect wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. The HSBC Group has adopted a policy of compliance with the sanctions issued by The Office of Foreign Assets Control of the US Department of the Treasury. HTHK is regulated by the Mandatory Provident Fund Schemes Authority ("MPFSA") of Level 36, Tower 1, Metroplaza, 223 Hing Fong Road, Kwai Fong, New Territories, Tel (852) 2918 0102 and Fax (852) 2259 8806.

Subject as provided in the relevant Trust Deed, HTHK shall not normally be liable for losses caused by the performance of investments made by the relevant Funds. Save for the responsibility of making investment decisions in relation to the Funds by the Manager and/or its delegates, the Manager shall not be liable for losses caused by the performance of investments made by the relevant Funds. Subject to applicable law and the provisions of the relevant Trust Deed, each of the parties described in the sections entitled "FUND PARTIES" herein shall not, in the absence of incurring any liability to the unitholders under the applicable laws or any breach of trust through fraud or negligence by it or any of its respective agent or delegate, or, in respect of HTHK and

BEAT, any sub-custodian appointed by HTHK or BEAT (as the case may be), be liable for any losses, costs or damage to the Fund or any unitholder. Other than the offer of the units by the Manager pursuant to these Consolidated Explanatory Memoranda, each of the parties described in the sections entitled "FUND PARTIES" herein in no way acts as guarantor or offeror of the Units or any underlying investment. HTHK has no responsibility or authority to make investment decisions, or render investment advice with respect to any Fund. HTHK will not participate in transactions and activities, or make any payments denominated in US dollars, which, if carried out by a US person, would be subject to sanctions by The Office of Foreign Assets Control (the "OFAC") of the US Department of the Treasury. HSBC group of companies has adopted a policy of compliance with the sanctions issued by OFAC. As part of its policy, HTHK may request for additional information if deemed necessary. HTHK (including its delegate) is not responsible and has no liability for any investment decision made by the Manager in relation to the Funds.

Bank of East Asia (Trustees) Limited ("BEAT"), the trustee of certain Funds established in Hong Kong as described in the relevant section of Appendix I, is incorporated with limited liability in Hong Kong and is registered as a trust company under the Trustee Ordinance in Hong Kong. It is a wholly owned subsidiary of The Bank of East Asia, Limited ("BEA"), a company incorporated in Hong Kong and listed on The Stock Exchange of Hong Kong, Limited. BEAT is regulated by the MPFSA of Level 36, Tower 1, Metroplaza, 223 Hing Fong Road, Kwai Fong, New Territories, Tel (852) 2918 0102 and Fax (852) 2259 8806.

BEAT will not participate in transactions and activities, or make any payments denominated in US dollars, which, if carried out by a US person, would be subject to sanctions by OFAC of the US Department of the Treasury. BEA group of companies has adopted a policy of compliance with the sanctions issued by OFAC. As part of its policy, BEAT may request for additional information if deemed necessary.

HSBC Institutional Trust Services (Mauritius) Limited, the trustee and the registrar of the Funds established in Mauritius, is incorporated with limited liability in Mauritius. It is an indirect wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. HSBC Institutional Trust Services (Mauritius) Limited is regulated by Financial Services Commission ("FSC") of FSC House, 54 Cybercity Ebene, Mauritius, Tel (230) 403 7000 and Fax (230) 467 7172.

HSBC Trustee (Cayman) Limited, the registrar of the Funds for which HTHK is acting as trustee, is incorporated with limited liability in the Cayman Islands. It is an indirect wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales.

East Asia International Trustees Limited, the registrar of the Funds for which BEAT is acting as trustee, is incorporated with limited liability in the British Virgin Islands. It is an indirectly wholly owned subsidiary of BEA, a company incorporated in Hong Kong and listed on The Stock Exchange of Hong Kong, Limited.

HTHK, BEAT and HSBC Institutional Trust Services (Mauritius) Limited are collectively referred to in the Consolidated Explanatory Memoranda as the "Trustees" and individually as the "Trustee" of the relevant Fund. Under each Trust Deed, the Trustee is responsible for the safe-keeping of the respective Fund's assets.

HSBC Trustee (Cayman) Limited, East Asia International Trustees Limited and HSBC Institutional Trust Services (Mauritius) Limited are collectively referred to in the Consolidated Explanatory Memoranda as the "Registrars" and individually as the "Registrar" of the relevant Fund. The Registrars and JPMorgan Funds (Asia) Limited have entered into a Registrar Services Delegation Agreement pursuant to which the Registrars have delegated their duties as Registrar of the relevant Funds to JPMorgan Funds (Asia) Limited.

Subject to the consent of the Trustee of the relevant Fund, JPMorgan Funds (Asia) Limited may at its discretion outsource the transfer agency and administrative functions in respect of the Funds from time to time.

INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS

Investment Objective and Policies

The investment objective and policies of each Fund are described in the relevant section of Appendix I to the Consolidated Explanatory Memoranda.

The investment objective, policies and investment restrictions and guidelines of each Fund may, subject to the approval of the relevant Trustee and/or the SFC (as applicable), vary from time to time when the Manager considers appropriate in the circumstances.

Currency Hedged Classes

Investors who invest in the Currency Hedged Classes should refer to the section entitled "CLASSES OF UNITS" for details on the objective, strategy and risks associated with the Currency Hedged Classes.

Investment Restrictions and Guidelines

The Funds may invest in anything into which a person may invest, subject to the following investment restrictions. The following investment restrictions and guidelines shall apply to the Funds as at the immediate preceding valuation. Additional investment restrictions and guidelines applicable to each Fund are described in the relevant section of Appendix I.

1. <u>Investment limitations applicable to each Fund</u>

No holding of any security may be acquired for or added to a Fund which would be inconsistent with achieving the investment objective of the Fund or which would result in:-

(a) the aggregate value of the Fund's investments in, or exposure to, any single entity (other than Government and other public securities) through the following exceeding 10% of the total net asset value of the relevant Fund:

(i) investments in securities issued by that entity;

(ii) exposure to that entity through underlying assets of financial derivative instruments; and

(iii) net counterparty exposure to that entity arising from transactions of over-the-counter financial derivative instruments.

For the avoidance of doubt, restrictions and limitations on counterparty as set out in sub-paragraphs 1(a), 1(b) and 4.4(c) of this sub-section "Investment Restrictions and Guidelines" will not apply to financial derivative instruments that are:

(A) transacted on an exchange where the clearing house performs a central counterparty role; and

(B) marked-to-market daily in the valuation of their financial derivative instrument positions and subject to margining requirements at least on a daily basis.

The requirements under this sub-paragraph 1(a) will also apply in the case of sub-paragraphs 6(e) and (j) of this sub-section "Investment Restrictions and Guidelines".

(b) subject to sub-paragraphs 1(a) and 4.4(c) of this sub-section "Investment Restrictions and Guidelines", the aggregate value of the Fund's investments in, or exposure to, entities within the same group through the following exceeding 20% of the total net asset value of the relevant Fund:

(i) investments in securities issued by those entities;

(ii) exposure to those entities through underlying assets of financial derivative instruments; and

(iii) net counterparty exposure to those entities arising from transactions of over-the-counter financial derivative instruments.

For the purposes of sub-paragraphs 1(b) and 1(c) of this sub-section "Investment Restrictions and Guidelines", "entities within the same group" means entities which are included in the same group for the purposes of consolidated financial statements prepared in accordance with internationally recognised accounting standards. The requirements under this sub-paragraph 1(b) will also apply in the case of sub-paragraphs 6(e) and (j) of this sub-section "Investment Restrictions and Guidelines".

(c) the value of the Fund's cash deposits made with the same entity or entities within the same group exceeding 20% of the total net asset value of the relevant Fund provided that the 20% limit may be exceeded in the following circumstances:

(i) cash held before the launch of the Fund and for a reasonable period thereafter prior to the initial subscription proceeds being fully invested; or

(ii) cash proceeds from liquidation of investments prior to the merger or termination of the Fund, whereby the placing of cash deposits with various financial institutions would not be in the best interests of investors; or

(iii) cash proceeds received from subscriptions pending investments and cash held for the settlement of redemption and other payment obligations, whereby the placing of cash deposits with various financial institutions would be unduly burdensome and the cash deposits arrangement would not compromise investors' interests.

For the purposes of this sub-paragraph 1(c), "cash deposits" generally refer to those that are repayable on demand or have the right to be withdrawn by the Fund and not referable to provision of property or services.

(d) the Fund's holding of any ordinary shares exceeding 10% of any ordinary shares issued by any single entity.

(e) the value of the Fund's investment in securities and other financial products or instruments that are neither listed, quoted nor dealt in on a Securities Market, exceeding 15% of the total net asset value of such Fund.

(f) the value of the Fund's total holding of Government and other public securities of the same issue exceeding 30% of the total net asset value of such Fund (save that the Fund may invest all of its assets in Government and other public securities in at least six different issues). For the avoidance of doubt, Government and other public securities will be regarded as being of a different issue if, even though they are issued by the same person, they are issued on different terms whether as to repayment dates, interest rates, the identity of the guarantor, or otherwise.

(g) (i) the value of the Fund's investment in units or shares in other collective investment schemes (namely "**underlying schemes**") which are non-eligible schemes (the list of "eligible schemes" is as specified by the SFC from time to time) and not authorised by the SFC in aggregate exceeding 10% of its total net asset value; and

(ii) the value of the Fund's investment in units or shares in each underlying scheme which is either an eligible scheme (the list of "eligible schemes" is as specified by the SFC from time to time) or a scheme authorised by the SFC exceeding 30% of its total net asset value unless the underlying scheme is authorised by the SFC, and the name and key investment information of the underlying scheme are disclosed in the offering document of that Fund,

provided that:

(A) no investment may be made in any underlying scheme the investment objective of which is to invest primarily in any investment prohibited by Chapter 7 of the SFC Code;

(B) where an underlying scheme's objective is to invest primarily in investments restricted by Chapter 7 of the SFC Code, such investments may not be in contravention of the relevant limitation. For the avoidance of doubt, a Fund may invest in underlying scheme(s) authorised by the SFC under Chapter 8 of the SFC Code (except for hedge funds under 8.7 of the SFC Code), eligible scheme(s) of which the net derivative exposure does not exceed 100% of its total net asset value, and Qualified Exchange Traded Funds in compliance with sub-paragraphs 1(g)(i) and (ii) of this sub-section "Investment Restrictions and Guidelines";

(C) the underlying scheme's objective may not be to invest primarily in other collective investment scheme(s);

(D) all initial charges and redemption charges on the underlying scheme(s) must be waived if the underlying scheme is managed by the Manager, the Investment Manager and/or the Sub-Manager or any of their connected persons (as defined in the SFC Code) ("Connected Persons"); and

(E) the Manager, the Investment Manager and/or the Sub-Manager or any person acting on behalf of the Fund or the Manager, the Investment Manager and/or the Sub-Manager may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company, or any quantifiable monetary benefits in connection with investments in any underlying scheme.

For the avoidance of doubt:

(aa) unless otherwise provided under the SFC Code, the spread requirements under sub-paragraphs 1(a), (b), (d) and (e) of this sub-section "Investment Restrictions and Guidelines" do not apply to investments in other collective investment schemes by a Fund;

(bb) unless otherwise disclosed in the offering document of a Fund, the investment by a Fund in a Qualified Exchange Traded Fund will be considered and treated as listed securities for the purposes of and subject to the requirements in sub-paragraphs 1(a), (b) and (d) of this sub-section "Investment Restrictions and Guidelines". Notwithstanding the aforesaid, the investments by a Fund in Qualified Exchange Traded Funds shall be subject to sub-paragraph 1(e) of this sub-section "Investment Restrictions and Guidelines" and the relevant investment limits in Qualified Exchange Traded Funds by a Fund shall be consistently applied;

(cc) where investments are made in listed REITs, the requirements under sub-paragraphs 1(a), (b) and (d) of this sub-section "Investment Restrictions and Guidelines" apply and where investments are made in unlisted REITs, which are either companies or collective investment schemes, then the requirements under sub-paragraphs 1(e) and (g)(i) of this sub-section "Investment Restrictions and Guidelines" apply respectively; and

(dd) where a Fund invests in index-based financial derivative instruments, the underlying assets of such financial derivative instruments are not required to be aggregated for the purposes of the investment restrictions or limitations set out in sub-paragraphs 1(a), (b), (c) and (f) of this sub-section "Investment Restrictions and Guidelines" provided that the index is in compliance with the requirements under 8.6(e) of the SFC Code.

(h) Notwithstanding sub-paragraphs 1(a), (b), (d) and (e) of this sub-section "Investment Restrictions and Guidelines":

(i) where direct investment in a market by each Fund is not in the best interest of investors, each Fund may invest through a wholly owned subsidiary company established solely for the purpose of making direct investments in such market. In such circumstances, the underlying investments of the subsidiary, together with the direct investments made by that Fund must in aggregate comply with the requirements of these investment restrictions and guidelines. The Manager has no present intention to make use of such subsidiaries and unitholders will be informed of any change in such intention; and

(ii) in respect of each Fund which is registered for retail distribution in Taiwan, the Fund's investments in Mainland China securities markets or in China related securities (as stipulated by the Taiwan regulators) may not, at any time, exceed certain percentage limits prescribed by the Taiwan regulators from time to time.

2. Investment prohibitions applicable to each Fund

The Manager, the Investment Manager and/or the Sub-Manager shall not, unless otherwise specifically provided for in the SFC Code, on behalf of any Fund:-

(a) invest in physical commodities unless otherwise approved by the SFC on a case-by-case basis taking into account the liquidity of the physical commodities concerned and availability of sufficient and appropriate additional safeguards where necessary;

(b) invest in any type of real estate (including buildings) or interests in real estate (including any options or rights but excluding shares in real estate companies and interests in REITs);

(c) make short sales unless (i) the liability of the relevant Fund to deliver securities does not exceed 10% of its total net asset value; (ii) the security which is to be sold short is actively traded on a Securities Market where short selling activity is permitted; and (iii) the short sales are carried out in accordance with all applicable laws and regulations;

(d) carry out any naked or uncovered short sale of securities;

(e) subject to sub-paragraph 1(e) of this sub-section "Investment Restrictions and Guidelines", lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person. For the avoidance of doubt, reverse repurchase transactions in compliance with the requirements as set out in sub-paragraphs 5.1 to 5.4 of this sub-section "Investment Restrictions and Guidelines" are not subject to the limitations in this sub-paragraph 2(e);

(f) acquire any asset or engage in any transaction which involves the assumption of any liability by the relevant Fund which is unlimited. For the avoidance of doubt, the liability of unitholders of a Fund is limited to their investments in that Fund;

(g) invest in any security of any class in any company or body if any director or officer of the Manager, the Investment Manager or the Sub-Manager individually owns more than 0.5%, or collectively they own more than 5%, of the total nominal amount of all the issued securities of that class;

(h) invest in any security where a call is to be made for any sum unpaid on that security, unless the call could be met in full out of cash or near cash from the Fund's portfolio whereby such amount of cash or near cash has not been segregated to cover a future or contingent commitment arising from transaction in financial derivative instruments for the purposes of sub-paragraphs 4.5 and 4.6 of this sub-section "Investment Restrictions and Guidelines".

3. Feeder Funds

A Fund which is a feeder fund may invest 90% or more of its total net asset value in a single collective investment scheme ("**underlying scheme**") in accordance with the following provisions -

(a) such underlying scheme ("**master fund**") must be authorised by the SFC;

(b) no increase in the overall total of initial charges, redemption charges, management fees, or any other costs and charges payable to the Manager, the Investment Manager or the Sub-Manager or any of their Connected Persons borne by the unitholders or by the feeder fund may result, if the master fund in which the feeder fund invests is managed by the Manager, the Investment Manager or the Sub-Manager or any of their Connected Person;

(c) notwithstanding proviso (C) to sub-paragraph 1(g) of this sub-section "Investment Restrictions and Guidelines", the master fund may invest in other collective investment scheme(s) subject to the investment restrictions as set out in sub-paragraphs 1(g)(i) and (ii) and proviso (A), (B) and (C) to sub-paragraph 1(g) of this sub-section "Investment Restrictions and Guidelines".

4. Use of financial derivative instruments

4.1 A Fund may acquire financial derivative instruments for hedging purposes. For the purposes of this sub-paragraph 4.1, financial derivative instruments are generally considered as being acquired for hedging purposes if they meet all the following criteria:

(a) they are not aimed at generating any investment return;

(b) they are solely intended for the purpose of limiting, offsetting or eliminating the probability of loss or risks arising from the investments being hedged;

(c) although they may not necessarily reference to the same underlying assets, they should relate to the same asset class with high correlation in terms of risks and return, and involve taking opposite positions, in respect of the investments being hedged; and

(d) they exhibit price movements with high negative correlation with the investments being hedged under normal market conditions.

The Manager, the Investment Manager and/or the Sub-Manager, where they deem necessary, shall cause hedging arrangement to be adjusted or re-positioned, with due consideration on the fees, expenses and costs, to enable the relevant Fund to meet its hedging objective in stressed or extreme market conditions.

4.2 A Fund may also acquire financial derivative instruments for non-hedging purposes ("**investment purposes**") subject to the limit that such Fund's net exposure relating to these financial derivative instruments ("**net derivative exposure**") does not exceed 50% of its total net asset value provided that such limit may be exceeded in such circumstances as permitted under the SFC Code, handbook, code and/or guideline issued by the SFC from time to time or permitted by the SFC from time to time. For the avoidance of doubt, financial derivative instruments acquired for hedging purposes under sub-paragraph 4.1 of this sub-section "Investment Restrictions and Guidelines" will not be counted towards the 50% limit referred to in this sub-paragraph 4.2 so long as there is no residual derivative exposure arising from such hedging arrangement. Net derivative exposure shall be calculated in accordance with the SFC Code and the requirements and guidance issued by the SFC which may be updated from time to time.

4.3 Subject to sub-paragraphs 4.2 and 4.4 of this sub-section "Investment Restrictions and Guidelines", a Fund may invest in financial derivative instruments provided that the exposure to the underlying assets of the financial derivative instruments, together with the other investments of the Fund, may not in aggregate exceed the corresponding investment restrictions or limitations applicable to such underlying assets and investments as set out in sub-paragraphs 1(a), (b), (c), (f), (g)(i) and (ii), proviso (A) to (C) to sub-paragraph 1(g) and sub-paragraph 2(b) of sub-section "Investment Restrictions and Guidelines".

4.4 The financial derivative instruments invested by a Fund shall be either listed/quoted on a stock exchange or dealt in over-the-counter market and comply with the following provisions:

(a) the underlying assets consist solely of shares in companies, debt securities, money market instruments, units/shares of collective investment schemes, deposits with substantial financial institutions, Government and other public securities, highly-liquid physical commodities (including gold, silver, platinum and crude oil), financial indices, interest rates, foreign exchange rates, currencies, or other asset classes acceptable to the SFC, in which the Fund may invest according to its investment objectives and policies;

(b) the counterparties to transactions of over-the-counter financial derivative instruments or their guarantors are substantial financial institutions or such other entity acceptable to the SFC;

(c) subject to sub-paragraphs 1(a) and (b) of this sub-section "Investment Restrictions and Guidelines", a Fund's net counterparty exposure to a single entity arising from transactions of over-the-counter financial derivative instruments may not exceed 10% of its total net asset value provided that the exposure of the Fund to a counterparty of over-the-counter financial derivative instruments may be lowered by the collateral received (if applicable) by the Fund and shall be calculated with reference to the value of collateral and positive mark to market value of the over-the-counter financial derivative instruments with that counterparty, if applicable; and

(d) the valuation of the financial derivative instruments is marked-to-market daily, subject to regular, reliable and verifiable valuation conducted by the valuation agent, the Manager, the Investment Manager or the Sub-Manager or the Trustee or their nominee(s), agent(s) or delegate(s) (as the case may be) independent of the issuer of the financial derivative instruments through measures such as the establishment of a valuation committee or engagement of third party service. The financial derivative instruments can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative. Further, the valuation agent should be adequately equipped with the necessary resources to conduct independent marked-to-market valuation and to verify the valuation of the financial derivative instruments on a regular basis.

4.5 A Fund should at all times be capable of meeting all its payment and delivery obligations incurred under transactions in financial derivative instruments (whether for hedging or for investment purposes). The Manager, the Investment Manager and/or the Sub-Manager shall, as part of its risk management process, monitor to ensure that the transactions in financial derivative instruments in respect of a Fund are adequately covered on an ongoing basis. For the purposes of this sub-paragraph 4.5, assets that are used to cover the Fund's payment and delivery obligations incurred under transactions in financial derivative instruments shall be free from any liens and encumbrances, exclude any cash or near cash for the purpose of meeting a call on any sum unpaid on a security, and cannot be applied for any other purposes.

4.6 Subject to sub-paragraph 4.5 of this sub-section "Investment Restrictions and Guidelines", a transaction in financial derivative instruments which gives rise to a future commitment or contingent commitment of a Fund shall be covered as follows:

(a) in the case of financial derivative instruments transactions which will, or may at the Fund's discretion, be cash settled, the Fund shall at all times hold sufficient assets that can be liquidated within a short timeframe to meet the payment obligation; and

(b) in the case of financial derivative instruments transactions which will, or may at the counterparty's discretion, require physical delivery of the underlying assets, the Fund shall hold the underlying assets in sufficient quantity at all times to meet the delivery obligation. If the Manager, the Investment Manager and/or the Sub-Manager considers the underlying assets to be liquid and tradable, the Fund may hold other alternative assets in sufficient quantity as cover, provided that such assets may be readily converted into the underlying assets at any time to meet the delivery obligation provided further that the Fund shall apply safeguard measures such as to apply haircut where appropriate to ensure that such alternative assets held are sufficient to meet its future obligations.

4.7 The requirements under sub-paragraphs 4.1 to 4.6 of this sub-section "Investment Restrictions and Guidelines" shall apply to embedded financial derivative. For the purposes of these Consolidated Explanatory Memoranda, an "**embedded financial derivative**" is a financial derivative instrument that is embedded in another security.

4.8 Notwithstanding any other provisions in this paragraph 4 of this sub-section "Investment Restrictions and Guidelines", in respect of each Fund which is registered for public distribution in Taiwan:

(a) unless otherwise approved by Taiwan Financial Supervisory Commission, the Fund shall comply with local Taiwanese regulation in respect of derivative exposure, which currently requires the total value of the Fund's non offset position in derivatives held for: (1) any purposes other than hedging, and in any derivatives held for hedging purposes in excess of the position limit stated in (2) below, not to exceed 40 per cent. of the net asset value of the Fund (or such other percentage as stipulated by the Taiwan regulator from time to time); and (2) hedging purposes, not to exceed the total market value of the relevant securities held by the Fund; and

(b) the Fund may not invest in gold or spot commodities.

5. Securities financing transactions

5.1 A Fund may engage in securities financing transactions, provided that they are in the best interests of unitholders of such Fund to do so and the associated risks have been properly mitigated and addressed, and provided further that the counterparties to the securities financing transactions are financial institutions which are subject to ongoing prudential regulation and supervision.

5.2 A Fund shall have at least 100% collateralization in respect of the securities financing transaction(s) into which it enters to ensure there is no uncollateralised counterparty risk exposure arising from these transactions.

5.3 All the revenues arising from securities financing transactions, net of direct and indirect expenses as reasonable and normal compensation for the services rendered in the context of the securities financing transactions shall be returned to the Fund.

5.4 A Fund shall only enter into a securities financing transaction if the terms of such securities financing transaction include the power for the Fund at any time to recall the securities or the full amount of cash (as the case may be) subject to the securities financing transaction or terminate the securities financing transaction(s) into which it has entered.

6. Collateral

In order to limit the exposure to each counterparty as set out in sub-paragraphs 4.4(c) and 5.2 of this sub-section "Investment Restrictions and Guidelines", a Fund may receive collateral from such counterparty, provided that the collateral complies with the requirements set out below:

(a) Liquidity – the collateral is sufficiently liquid and tradable in order that it can be sold quickly at a robust price that is close to pre-sale valuation. Collateral should normally trade in a deep and liquid marketplace with transparent pricing;

(b) Valuation – the collateral is marked-to-market daily by using independent pricing sources;

(c) Credit quality – the collateral is of high credit quality provided that, in the event the credit quality of the collateral or the issuer of the asset being used as collateral has deteriorated to such a degree that it would undermine the effectiveness of the collateral, such collateral shall be replaced immediately;

(d) Haircut – the collateral is subject to a prudent haircut policy;

(e) Diversification – the collateral is appropriately diversified so as to avoid concentrated exposure to any single entity and/or entities within the same group. A Sub-Fund's exposure to the issuer(s) of the collateral should be taken into account in compliance with the investment restrictions and limitations set out in sub-paragraphs 1(a), 1(b), 1(c), 1(f), 1(g)(i) and (ii) and provisos (A) to (C) of sub-paragraph 1(g) and sub-paragraph 2(b) of this sub-section "Investment Restrictions and Guidelines";

(f) Correlation – the value of the collateral should not have any significant correlation with the creditworthiness of the counterparty or the issuer of the financial derivative instruments, or the counterparty of securities financing transactions in such a way that would undermine the effectiveness of the collateral. For this purpose, securities issued by the counterparty or the issuer of the financial derivative instruments, or the counterparty of securities financing transactions or any of their related entities should not be used as collateral;

(g) Management of operational and legal risks – the Manager, the Investment Manager and/or the Sub-Manager has appropriate systems, operational capabilities and legal expertise for proper collateral management;

(h) Independent custody – the collateral is held by the Trustee or by duly appointed nominee, agent or delegate;

(i) Enforceability – the collateral is readily accessible or enforceable by the Trustee without further recourse to the issuer of the financial derivative instruments, or the counterparty of the securities financing transactions;

(j) Re-investment of collateral – any re-investment of collateral received for the account of the relevant Fund shall be subject to the following requirements:

(i) cash collateral received may only be reinvested in short-term deposits, high quality money market instruments and money market funds authorised under 8.2 of the SFC 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 SFC Code.

For this purpose, money market instruments refer to securities normally dealt in on the money markets, including government bills, certificates of deposit, commercial papers, short-term notes and bankers' acceptances, etc. In assessing whether a money market instrument is of high quality, at a minimum, the credit quality and the liquidity profile of the money market instruments must be taken into account;

(ii) non-cash collateral received may not be sold, re-invested or pledged;

(iii) the portfolio of assets from re-investment of cash collateral shall comply with the requirements as set out in 8.2(f) and 8.2(n) of the SFC Code;

(iv) cash collateral received is not allowed to be further engaged in any securities financing transactions;

(v) when the cash collateral received is reinvested into other investment(s), such investment(s) is/are not allowed to be engaged in any securities financing transactions;

(k) the collateral is free of prior encumbrances; and

(l) the collateral generally does not include (i) structured products whose payouts rely on embedded financial derivatives or synthetic instruments; (ii) securities issued by special purpose vehicles, special investment vehicles or similar entities; (iii) securitised products; or (iv) unlisted collective investment schemes.

Further details relating to the collateral policy of the Funds are disclosed in Section F – COLLATERAL POLICY of the Consolidated Explanatory Memoranda .

7. Name of Fund

If the name of a Fund indicates a particular objective, investment strategy, geographic region or market, the Fund must, under normal market circumstances, invest at least 70% of its total net asset value in securities and other investments to reflect the particular objective, investment strategy or geographic region or market which the Fund represents.

8. Definitions

Terms used in this sub-section "Investment Restrictions and Guidelines" shall, unless otherwise defined herein or unless the context otherwise requires, have the following meaning:

"Government and other public securities"	any investment issued by, or the payment of principal and interest on which is guaranteed by, a government or any fixed-interest investment issued by its public or local authorities or other multilateral agencies
"Qualified Exchange Traded Funds"	exchange traded funds that are: (a) authorised by the SFC under 8.6 or 8.10 of the SFC Code; or (b) listed and regularly traded on internationally recognised stock exchanges open to the public (nominal listing not accepted) and either (i) the principal objective of which is to track, replicate or correspond to a financial index or benchmark, which complies with the applicable requirements under 8.6 of the SFC Code; or (ii) the investment objective, policy, underlying investments and product features of which are substantially in line with or comparable with those set out under 8.10 of the SFC Code
"REITs"	real estate investment trusts
"Securities Market"	any stock exchange, over-the-counter market or other organised securities market that is open to the international public and on which such securities are regularly traded
"substantial financial institution"	an authorised institution as defined in section 2(1) of the Banking Ordinance (Chapter 155 of Laws of Hong Kong) or a financial institution which is on an ongoing basis subject to prudential regulation and supervision, with a minimum net asset value of HK$2 billion or its equivalent in foreign currency
"Reverse repurchase transactions"	transactions whereby a scheme purchases securities from a counterparty of sale and repurchase transactions and agrees to sell such securities back at an agreed price in the future

"Securities financing transactions"	securities lending, sale and repurchase and reverse repurchase transactions
"Securities lending transactions"	transactions whereby a scheme lends its securities to a security-borrowing counterparty for an agreed fee
"Sale and repurchase transactions"	transactions whereby a scheme sells its securities to a counterparty of reverse repurchase transactions and agrees to buy such securities back at an agreed price with a financing cost in the future.

Each Fund may place cash on deposit with its Trustee, Investment Manager, Manager or any of their Connected Persons provided that such person is permitted to accept deposits and such cash deposit shall be maintained in a manner that is in the best interests of the unitholders of the relevant Fund, having regard to the prevailing commercial rate for a deposit of similar type, size and term negotiated at arm's length in accordance with ordinary and normal course of business.

Where a breach of any of the above investment limits occurs, the Manager, the Investment Manager and the Sub-Manager will as a priority objective within a reasonable period of time take all steps as are necessary to remedy the situation taking into due account of the interests of unitholders.

Funds in Appendix I of Section A, or in Sections B and C which are registered with the Securities and Futures Bureau in Taiwan for retail distribution are listed below:

JPMorgan ASEAN Fund
JPMorgan Asia Growth Fund
JPMorgan Australia Fund
JPMorgan Asian Smaller Companies Fund
JPMorgan Global Property Income Fund
JPMorgan India Fund
JPMorgan Japan (Yen) Fund
JPMorgan Korea Fund
JPMorgan Malaysia Fund
JPMorgan Pacific Securities Fund
JPMorgan Pacific Technology Fund
JPMorgan Philippine Fund
JPMorgan Thailand Fund

The following Funds may invest up to 10 per cent. of their respective total net asset value in eligible China A-Shares via the Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect:

JPMorgan Asia Equity Dividend Fund
JPMorgan Asia Growth Fund
JPMorgan Asian Smaller Companies Fund
JPMorgan Multi Balanced Fund
JPMorgan Multi Income Fund
JPMorgan Pacific Securities Fund
JPMorgan Pacific Technology Fund

Borrowing and Leverage

The expected maximum level of leverage of each Fund is as follows:

Borrowing Policies

No borrowing shall be made in respect of a Fund which would result in the principal amount for the time being of all borrowings made for the account of the relevant Fund exceeding an amount equal to 10% of the total net asset value of the relevant Fund provided always that back-to-back loans do not count as borrowing. For the avoidance of doubt, securities lending transactions and sale and repurchase transactions in compliance with the requirements as set out in sub-paragraphs 5.1 to 5.4 of the sub-section "Investment Restrictions and Guidelines" are not borrowings for the purpose of, and are not subject to the limitations in this paragraph. The Funds' assets may be charged or pledged as security for any such borrowings.

Each Fund may borrow money from its Trustee, the Manager or any of their Connected Persons provided that the lender is permitted to lend money and the interest and any fee is no higher than an arm's length commercial rate or fee for a loan of the same size and nature.

Leverage from the use of financial derivative instruments

A Fund may also be leveraged through the use of financial derivative instruments and its expected maximum level of leverage through the use of financial derivative instruments (i.e. expected maximum net derivative exposure) may be up to 50% of the Fund's net asset value.

In calculating the net derivative exposure, derivatives acquired for investment purposes that would generate incremental leverage at the portfolio level of the relevant Fund are converted into their equivalent positions in their underlying assets. The net derivative exposure is calculated in accordance with the requirements and guidance by the SFC which may be updated from time to time.

The actual level of leverage may be higher than such expected level in exceptional circumstances, for example when there are sudden movements in markets and/or investment prices.

Securities Financing Transactions Policies

Although the Trust Deeds and the main part of the Consolidated Explanatory Memoranda contain provisions which allow the Manager to, on behalf of the Funds, enter into securities financing transactions, namely, securities lending transactions, sale and repurchase transactions and reverse repurchase transactons, the Manager does not currently intend to enter into such transactions. Should the Manager decide to enter into these transactions, these Explanatory Memoranda will be amended and unitholders will be provided with not less than one month's (or such other period as the SFC may require) prior written notification in respect of such amendment.

Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (collectively the "China Connect")

The Shanghai-Hong Kong Stock Connect is a securities trading and clearing linked program developed by Hong Kong Exchanges and Clearing Limited ("HKEx"), the Hong Kong Securities Clearing Company Limited ("HKSCC"), Shanghai Stock Exchange ("SSE") and China Securities Depository and Clearing Corporation Limited ("ChinaClear") and the Shenzhen-Hong Kong Stock Connect is a securities trading and clearing linked program developed by HKEx, HKSCC, Shenzhen Stock Exchange ("SZSE") and ChinaClear. The aim of the China Connect is to achieve mutual stock market access between mainland China and Hong Kong.

Each China Connect comprises a Northbound Trading Link and a Southbound Trading Link. Under the Northbound Trading Link, Hong Kong and overseas investors (including the relevant Funds), through their Hong Kong brokers and a securities trading service company established by The Stock Exchange of Hong Kong Limited ("SEHK"), can trade eligible shares listed on SSE and SZSE respectively.

Eligible securities

Under the Shanghai-Hong Kong Stock Connect, Hong Kong and overseas investors will be able to trade certain stocks listed on the SSE. These include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except the following:

(a) SSE-listed shares which are not traded in RMB; and

(b) SSE-listed shares which are included in the "risk alert board".

Under the Shenzhen-Hong Kong Stock Connect, Hong Kong and overseas investors will be able to trade certain stocks listed on the SZSE. These include all the constituent stocks of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which have a market capitalisation of not less than RMB6 billion, and all the SZSE-listed China A-Shares which have corresponding H-Shares listed on SEHK, except the following:

(a) SZSE-listed shares which are not traded in RMB; and

(b) SZSE-listed shares which are included in the "risk alert board".

The list of eligible securities may be changed subject to the review and approval by the relevant PRC regulators from time to time.

Trading quota

Trading under China Connect is subject to a daily quota ("Daily Quota"). Northbound Shanghai Trading Link and Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect and Northbound Shenzhen Trading Link and Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect will each be subject to a separate set of Daily Quota.

The Daily Quota limits the maximum net buy value of cross-boundary trades under China Connect each day. The Northbound Daily Quota is set at RMB52 billion for Shanghai-Hong Kong Stock Connect and RMB52 billion for Shenzhen-Hong Kong Stock Connect.

The Daily Quota may be increased or reduced subject to the review and approval by the relevant PRC regulators from time to time.

SEHK will monitor and publish the remaining balance of the Northbound Daily Quota at scheduled times on the HKEx's website.

Settlement and custody

HKSCC is responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by Hong Kong market participants and investors.

The China A-Shares traded through China Connect are issued in scripless form, so investors will not hold any physical China A-Shares. Hong Kong and overseas investors who have acquired China A-Shares through Northbound trading should maintain the China A-Shares with their brokers' or custodians' stock accounts with CCASS (the Central Clearing and Settlement System operated by HKSCC for the clearing of securities listed or traded on SEHK).

Corporate actions and shareholders' meetings

Notwithstanding the fact that HKSCC does not claim proprietary interests in the SSE and SZSE securities held in its omnibus stock account in ChinaClear, ChinaClear as the share registrar for SSE and/or SZSE listed companies will still treat HKSCC as one of the shareholders when it handles corporate actions in respect of such SSE and SZSE securities.

HKSCC will monitor the corporate actions affecting SSE and SZSE securities and keep the relevant brokers or custodians participating in CCASS ("CCASS participants") informed of all such corporate actions that require CCASS participants to take steps in order to participate in them.

Currency

Hong Kong and overseas investors will trade and settle SSE and SZSE securities in RMB only. Hence, the relevant Funds will need to use RMB to trade and settle SSE and SZSE securities.

Investor compensation

Since the relevant Funds are carrying out Northbound trading through securities brokers in Hong Kong but not PRC brokers, therefore they are not protected by the China Securities Investor Protection Fund（中國投資者保護基金）in the PRC.

Further information about China Connect is available online at the website:
http://www.hkex.com.hk/eng/csm/chinaConnect.asp?LangCode=en"

RISKS

The performance of the Funds will be affected by a number of risk factors, including the following. Additional risk factors applicable to a Fund are described in the relevant section of Appendix I.

(i) Investment risk – The Fund's investment portfolio may fall in value due to any of the risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.

(ii) Equity risk – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Funds' net asset values. When equity markets are extremely volatile, the Funds' net asset values may fluctuate substantially.

(iii) Political, economic and social risks – All financial markets may at times be adversely affected by changes in political, economic and social conditions.

(iv) Market risk – The Funds' investments are subject to the risks inherent in all securities i.e. the value of holdings may fall as well as rise. In addition, the Funds may be subject to investment holding limits imposed on investors by certain markets in which the Funds invest.

(v) Currency risk – The assets in which the Funds are invested and the income from the assets will or may be quoted in currencies which are different from the Funds' base currencies. The performance of the Funds will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Funds' currencies of denomination. Since the Manager, the Investment Manager, and the Sub-Manager aim to maximise returns in terms of the Funds' currencies of denomination, investors whose base currency is different (or not in a currency linked to the Funds' currencies of denomination) may be exposed to additional currency risk. The performance of these Funds may also be affected by changes in exchange control regulations.

(vi) Hedging risk – The Manager, the Investment Manager, and the Sub-Manager are permitted, in their absolute discretion, but not obliged, to use hedging techniques to attempt to reduce market and currency risks. There is no guarantee that hedging techniques if used, will achieve the desired result nor that hedging techniques will be used. The hedging, if any, against foreign exchange risks may or may not be up to 100% of assets of the Funds.

(vii) Derivatives risk – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Funds. Exposure to derivatives may lead to a high risk of significant loss by the Funds. Participation in warrants, futures, options and forward contracts involves potential investment returns which the Funds would not receive, and risks of a type, level or nature to which the Funds would not be subject, in the absence of using these instruments. If the direction of movement of the securities or money markets is for or against the prediction of the Manager, the Investment Manager and the Sub-Manager, the Funds may be placed in a position which is better or worse than that in which it would have been if these instruments had not been used.

Equity Warrants – Some of the Funds may engage in use of equity warrant which generally allows an investor the right to subscribe for a fixed number of ordinary shares at a pre-determined price on a future date or during a fixed period of time. Since the price of the warrant is normally substantially less than the price of the share itself, an increase in the share price will generally cause the value of the warrant to increase at a greater rate. On the other hand, a fall in the share price may cause the warrant to become valueless. The use of warrants by the Funds will, therefore, usually mean that the net asset value of the Funds will increase or decrease at a greater rate than would have been the case if the relevant investment had actually been made in the shares underlying the relevant warrants.

Forward contracts – Some of the Funds may enter into forward contracts which are not traded on exchanges and are generally not regulated. There are no limitations on a daily price movement of forward contracts. Banks and other dealers with whom the Funds may maintain accounts may require the Funds to deposit margin with respect to such trading, although margin requirements are often minimal or nonexistent. The Funds' counterparties are not required to continue to make markets in such contracts. There have been periods during which certain counterparties have refused to continue to quote prices for forward contracts or have quoted prices with an unusually wide spread (the price at which the counterparty is prepared to buy and that at which it is prepared to sell). Arrangements to trade forward contracts may be made with only one or a few counterparties, and liquidity problems therefore might be greater than if such arrangements were made with numerous counterparties. The imposition of credit controls by governmental authorities might limit such forward trading to less than that which the Manager, the Investment Manager or the Sub-Manager would otherwise recommend, to the possible detriment of the Funds.

Futures – Owing to the low margin deposits normally required in index and stock futures contracts, a high degree of leverage is typical of a futures trading account. As a result, a small price movement in index and stock futures contract may result in relatively large losses or profits to the Funds. The position of the Funds in such transactions may not be capable of being closed out in certain circumstances.

Options – Some of the Funds may engage in the use of call and put options. There are risks associated with the sale and purchase of call and put options. The Funds may act as a buyer or seller of an option and therefore subject to the potential gain or loss set out below. The buyer of a call or put option assumes the risk of losing his entire investment in the options. If the buyer of the call/(put) option shorts/(holds) the underlying security, the loss on the call/(put) option will be offset in whole or in part by any gain on the underlying security. The seller of a call/(put) option which is covered (e.g. the seller has a long/(short) position in the underlying security) assumes the risk of a decrease/(an increase) in the market price of the underlying security below/(above) the purchase/(sales) price (in establishing the long/(short) position) of the underlying security, less the premium received, and gives up the opportunity for gain on the underlying security above/(below) the exercise price of the option. The seller of the call/(put) option which is uncovered assumes the risk of an increase/(a decrease) in the market price of the underlying security above/(below) the exercise price of the option, less the premium received.

(viii) Leverage risk – The Funds may borrow funds and employ financial instruments and techniques with an embedded leverage effect. The borrowing of funds and use of leverage will magnify increases or decreases in the net asset value of the Funds. No assurance can be given that secured or unsecured financing will be available on terms that the Manager, the Investment Manager and the Sub-Manager consider acceptable, nor that the use of leveraged financial instruments and techniques will not generate losses in excess of the amount invested or committed.

(ix) Concentration risk – Some of the Funds may concentrate their investments in a specific geographical area, a single industry or group of industries, and/or a limited number of securities. Investors should be aware that those Funds are likely to be more volatile than a more broadly diversified fund. The value of the Funds may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area/industry/issuer in which they invest.

(x) Emerging markets risk – Accounting, auditing and financial reporting standards in some of the emerging markets in which some of the Funds' assets may be invested may be less rigorous than international standards. As a result, certain material disclosures may not be made.

Investment in emerging markets involves special considerations and increased risks not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Many emerging market countries are still in the early stages of modern development and are subject to abrupt and unexpected change. In many cases, governments retain a high degree of direct control over the economy and may take actions having sudden and widespread effects. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Funds' investments, and the risks of investing in countries with smaller capital markets, such as limited liquidity, price volatility, restrictions on foreign investment and repatriation of capital, and the risks associated with emerging economies, including high inflation and interest rates and political and social uncertainties.

Investments in products relating to emerging markets may also become illiquid which may constrain the Manager's, the Investment Manager's, and the Sub-Manager's ability to realise some or all of the portfolio.

(xi) Low level of monitoring risk – The legal and regulatory frameworks of many of the emerging markets are still in the development stage compared to many of the world's leading stock markets, and accordingly there may be a lower level of regulatory monitoring of the activities of such securities markets.

(xii) Legal, tax and regulatory risk – Legal, tax and regulatory changes could occur during the term of a Fund which may adversely affect it. If any of the laws and regulations currently in effect should change or any new laws or regulations should be enacted, the legal requirements to which a Fund and the investors may be subject could differ materially from current requirements and may materially and adversely affect a Fund and the investors.

(xiii) Liquidity risk – Some of the Funds may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by those Funds are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes. In extreme market situations, there may be no willing buyer and the investments cannot be readily sold at the desired time or price, and those Funds may have to accept a lower price to sell the investments or may not be able to sell the investments at all. Trading in particular securities or other instruments may be suspended or restricted by the relevant exchange or by a governmental or supervisory authority and those Funds may incur a loss as a result. An inability to sell a portfolio position can adversely affect those Funds' value or prevent those Funds from being able to take advantage of other investment opportunities.

Liquidity risk also includes the risk that those Funds will not be able to pay redemption proceeds within the allowable time period because of unusual market conditions, an unusually high volume of redemption requests, or other uncontrollable factors. To meet redemption requests, those Funds may be forced to sell investments, at an unfavorable time and/or conditions.

Investment in fixed income securities, small and mid-capitalization stocks and emerging country issuers will be especially subject to the risk that during certain periods, the liquidity of particular issuers or industries, or all securities within a particular investment category, will shrink or disappear suddenly and without warning as a result of adverse economic, market or political events, or adverse investor perceptions whether or not accurate. The downgrading of fixed income securities may affect the liquidity of investments in fixed income securities.

(xiv) Valuation risk – Securities purchased by the Funds, particularly debt securities, that are liquid at the time of purchase may subsequently become illiquid due to events relating to the issuer of the securities, markets events, economic conditions, investor perceptions, legislation or regulatory sanctions. Domestic and foreign markets are becoming more and more complex and interrelated, such that events in one sector of the market or the economy, or in one geographical region, can reverberate and have negative consequences for other markets, economic or regional sectors in a manner that may not be reasonably foreseen.

In cases where no clear indication of the value of a Fund's portfolio instruments is available, the portfolio instruments will be valued at their fair value according to the valuation procedures approved by the Trustee. These cases include, among others, situations where it would be inaccurate to rely on the valuations provided by the secondary markets on which a security has previously been traded because these secondary markets are no longer viable for lack of liquidity.

In addition, market volatility may result in a discrepancy between the latest available net asset value for a Fund or a Class and the fair value of the assets of the relevant Fund or the relevant Class. Certain investors might seek to exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on redemption, other unitholders may suffer dilution in the value of their investment. As a safeguard against such exploitation, the Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the net asset value of the relevant Fund/Class or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders. It should be noted that the bases of valuations adopted by the relevant Fund/Class may not be the same as the accounting, principles generally accepted in Hong Kong.

As such, valuation of a Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund.

(xv) Volatility risk – The value of the Funds' underlying investments will be affected by economic, political, market, and issuer specific changes. Such changes may adversely affect the value of the Funds' underlying investments. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations of the Funds' value could be volatile and are often exacerbated in the short-term as well. High market volatility and potential settlement difficulties in certain markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Fund.

(xvi) Custodial risk – Custodians or sub-custodians may be appointed in local markets for purpose of safekeeping assets in those markets. Where a Fund invests in markets where custodial and/or settlement systems are not fully developed, the assets of the Fund may be exposed to custodial risk. In case of liquidation, bankruptcy or insolvency of a custodian or sub-custodian, the Fund may take a longer time to recover its assets. In extreme circumstances such as the retroactive application of legislation and fraud or improper registration of title, the Fund may even be unable to recover all of its assets. The costs borne by a Fund in investing and holding investments in such markets will be generally higher than in organised securities markets.

(xvii) Counterparty risk – The Funds may invest in different instruments in accordance with the objectives of the Funds and as permitted by the investment restrictions. If the counterparties of these underlying investments default, the Funds could suffer substantial losses. Such risks include, but are not limited to, the following:

Cash and deposits – The Funds may hold cash and deposits in banks or other deposit-taking companies which might not be subject to regulatory or government full or partial protection, and might suffer a significant or even total loss in the event of bankruptcy of the banks or deposit-taking companies.

Depositary receipts – Investment into a given country may be made via direct investments into that market or by depositary receipts traded on other international exchanges in order to benefit from increased liquidity in a particular security and other advantages. Investments in depositary receipts may be subject to counterparty risk, in which a significant or even total loss might be suffered in the event of the liquidation of the depositary or custodian bank.

Credit risk – If the issuer of any of the securities in which the Funds' assets are invested defaults, the performance of the Funds will be adversely affected and the Funds could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the Funds.

Risks related to debt securities – The Funds may invest in, but are not limited to debt securities. There is no assurance that losses will not occur with respect to investment in debt securities. Factors that may affect the value of the Funds' debt securities holdings include: (i) changes in interest rates and (ii) the credit worthiness of the issuers of the debt securities held by the Funds.

Settlement risk – Settlement procedures in emerging countries are frequently less developed and less reliable and may involve the Funds' delivery of securities before receipt of payment for their sale. In addition, significant delays may occur in certain markets in registering the transfer of securities. Settlement or registration problems may make it more difficult for the Funds to value its portfolio securities and could cause the Funds to miss attractive investment opportunities, or to have a portion of their assets uninvested, or to incur losses due to the failure of a counterparty to pay for securities the Funds have delivered, or the Funds' inability to complete its contractual obligations because of theft or other reasons. As a result, the creditworthiness of the local securities firms used by the Funds in emerging countries may not be as sound as the creditworthiness of firms used in more developed countries. The Funds may be subject to a risk of loss if a securities firm defaults in the performance of its responsibilities.

(xviii) Interest rates risk – Interest rates in the countries in which a Fund's assets will be invested may be subject to fluctuations. Any such fluctuations may have a direct effect on the income received by the Fund and its capital value. Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. The prices of bonds generally increase when interest rates decline and decrease when interest rates rise. Longer term bonds are usually more sensitive to interest rate changes. Given the historically low interest rate environment, risks associated with rising rates are heightened. The performance of the Funds may therefore be adversely affected.

(xix) People's Republic of China ("PRC") tax risk consideration – There are risks and uncertainties associated with the current PRC tax laws, regulations and practice on a Fund's investments in the PRC. Any increased tax liabilities on the Fund may adversely affect the Fund's value. The Manager, Investment Manager and Sub-Manager reserve the right to provide for tax on gains of the Fund that invests in PRC securities thus impacting the valuation of the Fund. Based on professional and independent tax advice, except for gains from China A-Shares trading through China Connect or Qualified Foreign Institutional Investors or Renminbi Qualified Foreign Institutional Investors and interest derived by foreign institutional investors from bonds traded on PRC bond market which are specifically exempt under temporary exemptions from the prevailing PRC tax regulations , a tax provision of 10% is fully provided for PRC sourced income (including gains from PRC securities, dividends and interest) until sufficient clarity is given by the PRC authorities to exempt specific types of PRC sourced income (e.g. gains from PRC bonds).

With the uncertainty of whether and how certain gains on PRC securities are to be taxed, the possibility of the laws, regulations and practice in the PRC changing, and the possibility of taxes being applied retrospectively, any provision for taxation made by the Manager, the Investment Manager and/or the Sub-Manager may be excessive or inadequate to meet final PRC tax liabilities on gains derived from the disposal of PRC securities. In case of any shortfall between the provisions and actual tax liabilities, which will be debited from the Funds' assets, the Funds' net asset value will be adversely affected. Depending on the timing of investors' subscriptions and/or redemptions, they may be disadvantaged as a result of any shortfall of tax provision and/or not having the right to claim any part of the overprovision (as the case may be).

For more information on the PRC taxation of PRC securities and the provisioning for such taxation, please refer to the subparagraph entitled "The People's Republic of China ("PRC")" under the sub-section entitled "(iv) Investment Markets" under Section D – TAX NOTES of the Consolidated Explanatory Memoranda.

(xx) Small and medium-sized companies – Some of the Funds may invest in small and medium-sized companies. The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.

(xxi) Early termination risk – The Funds are subject to the risk of early termination under certain circumstances as specified in their respective Trust Deeds. Unamortised costs of the Funds would be written off upon the respective Fund's termination. The amount distributed to investors upon termination may be less than investors' initial investments. Thus, investors may be exposed to losses in their investments.

(xxii) Technology related companies risk – Some of the Funds may invest in technology related companies, which may fluctuate in value more than other funds because of the greater potential volatility of share prices of technology related companies.

(xxiii) Cross-Class liability risk – Pursuant to the Trust Deeds of certain Funds, the Manager reserves the right to establish and issue new Classes from time to time. The net asset value of each Class will be calculated separately with particular assets and liabilities of the Funds attributable to particular Classes. Whilst different Classes may have separate accounts for internal accounting purposes, there is no legal segregation of assets and liabilities between Classes. Accordingly, the assets of one or more Classes may be used to settle liability which arises in another Class.

(xxiv) Class currency risk – For certain Funds with different Classes, the Class Currency of each Class may be different from the Funds' base currency, the currencies of which the Funds' assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not Australian dollars) and chooses to invest in the AUD Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and Australian dollars upon the reconversion of its Australian dollars investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in Australian dollars. For investors who invest in the Currency Hedged Classes, please refer to the sub-section entitled "AUD Hedged Class/CAD Hedged Class/EUR Hedged Class/GBP Hedged Class/HKD Hedged Class/NZD Hedged Class/RMB Hedged Class/SGD Hedged Class/USD Hedged Class" in the section entitled "CLASSES OF UNITS" for further details.

(xxv) Sovereign risk – Certain Funds may invest in debt securities ("Sovereign Debt") issued or guaranteed by governments or their agencies ("governmental entities"). Governmental entities may default on their Sovereign Debt. Holders of Sovereign Debt, including a Fund, may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities. There is no bankruptcy proceeding by which Sovereign Debt on which a governmental entity has defaulted may be collected in whole or in part.

(xxvi) RMB currency risk – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the People's Republic of China. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including US dollars and HK dollars, are susceptible to movements based on external factors. Accordingly, the investment in Classes denominated in RMB may be adversely affected by the fluctuations in the exchange rate between RMB and other foreign currencies.

RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government.

Classes denominated in RMB will generally be valued with reference to RMB (CNH) rather than RMB (CNY). While RMB (CNH) and RMB (CNY) represent the same currency, they are traded in different and separate markets which operate independently. As such RMB (CNH) does not necessarily have the same exchange rate and may not move in the same direction as RMB (CNY). Any divergence between RMB (CNH) and RMB (CNY) may adversely impact investors.

Classes denominated in RMB participate in the offshore RMB (CNH) market, which allow investors to freely transact CNH outside of mainland China. Classes denominated in RMB will have no requirement to remit CNH to onshore RMB (CNY). Non-RMB based investors (e.g. Hong Kong investors) in Classes denominated in RMB may have to convert HK dollars or other currencies into RMB when investing in Classes denominated in RMB and subsequently convert the RMB redemption proceeds and/or distributions (if any) back to HK dollars or such other currencies. Investors will incur currency conversion costs and may suffer losses depending on the exchange rate movements of RMB relative to HK dollars or such other currencies. Also, there can be no assurance that RMB will not be subject to devaluation and any depreciation of RMB could adversely affect the value of the investor's investment in the Fund.

Even if a Fund aims at paying redemption monies and/or distributions of RMB denominated Classes in RMB, the Manager may, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, pay redemption monies and/or distributions in US dollars. There is also a risk that payment of redemption monies and/or distributions in RMB may be delayed when there is not sufficient amount of RMB for currency conversion for settlement of the redemption monies and distributions in a timely manner due to the exchange controls and restrictions applicable to RMB. In any event, the redemption proceeds will be paid not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.

(xxvii) Currency Hedged Classes risk – Each Currency Hedged Class may hedge the Fund's denominated currency back to its currency of denomination, with an aim to provide a return on investment which correlates with the return of the Class of unit which is denominated in the base currency of the relevant Fund. The costs and resultant profit or loss on the hedging transactions will be reflected in the net asset value per unit for the units of the relevant Currency Hedged Classes. The costs relating to such hedging transactions which may be significant depending on prevailing market conditions shall be borne by that Currency Hedged Class only.

The precise hedging strategy applied to a particular Currency Hedged Class may vary. In addition, there is no guarantee that the desired hedging instruments will be available or hedging strategy will achieve its desired result. In such circumstances, investors of the Currency Hedged Class may still be subject to the currency exchange risk on an unhedged basis (which means that, for example, if the hedging strategy in respect of the RMB Hedged Class is ineffective, depending on the exchange rate movements of RMB relative to the base currency of a Fund, and/or other currency(ies) of the non-RMB denominated underlying investment of that Fund, (i) investors may still suffer losses even if there are gains or no losses in the value of the non-RMB denominated underlying investments; or (ii) investors may suffer additional losses if the non-RMB denominated underlying investments of that Fund fall in value). If the counterparties of the instruments used for hedging purposes default, investors of the Currency Hedged Classes may be exposed to the currency exchange risk on an unhedged basis and may therefore suffer further losses.

While the hedging strategy may protect investors of the Currency Hedged Classes against a decrease in the value of the Fund's base currency relative to the denominated currency of that Currency Hedged Class, the hedging strategy may substantially limit the benefits of any potential increase in the value of a Currency Hedged Class expressed in the Class currency, if the Currency Hedged Class' denominating currency falls against the base currency of the Fund. Please refer to the section entitled "Classes of Units" for further details.

(xxviii) China market risk – Investing in the securities markets in the PRC is subject to the risks of investing in emerging markets generally and the risks specific to the PRC market.

Many of the PRC economic reforms are unprecedented or experimental and are subject to adjustment and modification, and such adjustment and modification may not always have a positive effect on foreign investment in joint stock companies in the PRC or in listed securities such as "A", "B" and "H" shares.

The choice of "A", "B" and "H" share issues currently available to the Manager may be limited as compared with the choice available in other markets. There may also be a lower level of liquidity and trading volume in the PRC "A" and "B" share markets, which are relatively smaller in terms of both combined total market value and the number of "A" and "B" shares which are available for investment as compared with other markets. This could potentially lead to severe price volatility. There may also be potential settlement difficulties in the PRC market.

The national regulatory and legal framework for capital markets and joint stock companies in the PRC are still developing when compared with those of developed countries. Most of the joint stock companies with listed A-Shares have undergone split-share structure reform to convert state owned shares or legal person shares into transferable shares with the intention to increase liquidity of A-Shares. However, the effects of such reform on the A-Share market as a whole and other PRC securities remain to be seen. In addition, trading band limits may be imposed by the PRC stock exchanges on China A-Shares, where trading in a China A-Share security on the relevant PRC stock exchange may be suspended if the trading price of such security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the relevant Funds to liquidate their positions (if any) in such security. Also, it may not be possible for the relevant Funds to liquidate positions at a favourable price even when the suspension is lifted. Such trading band limit may therefore adversely affect the relevant Funds' investment in China A-Shares.

PRC companies are required to follow PRC accounting standards and practice which, to a certain extent, follow international accounting standards. However, there may be significant differences between financial statements prepared by accountants following PRC accounting standards and practice and those prepared in accordance with international accounting standards.

Both the Shanghai and Shenzhen securities markets are in the process of development and change. This may lead to trading volatility, difficulty in the settlement and recording of transactions and difficulty in interpreting and applying the relevant regulations.

Investments in the PRC will be sensitive to any significant change in political, social or economic policy in the PRC, which includes possible government intervention. Such sensitivity may, for the reasons specified above, adversely affect the capital growth and thus the performance of these investments. The PRC government or the regulators may also implement policies that may affect the financial markets.

The PRC government's control of currency conversion and future movements in exchange rates may adversely affect the operations and financial results of the companies that issue the relevant PRC securities invested in by the relevant Funds.

In light of the above mentioned factors, the price of PRC securities may fall significantly in certain circumstances and may have an adverse effect on the relevant Funds' performance.

(xxix) Risk associated with foreign shareholding restrictions on China A-Shares – Investments in China A-Shares through China Connect are subject to the following shareholding restrictions:

- Single foreign investors' shareholding by any Hong Kong or overseas investor (such as the relevant Funds) in a China A-Share must not exceed 10% of the total issued shares; and
- Aggregate foreign investors' shareholding by all Hong Kong and overseas investors (such as the relevant Funds) in a China A-Share must not exceed 30% of the total issued shares.

When Hong Kong and overseas investors carry out strategic investments in listed companies in accordance with the "Measures for the Administration of Strategic Investment of Foreign Investors in Listed Companies"（《外國投資者對上市公司戰略投資管理辦法》）, the shareholding of the strategic investments is not capped by the abovementioned percentages.

Should the shareholding of a single investor in a China A-Share listed company exceed the above restriction, the investor would be required to unwind his position on the excessive shareholding according to a last-in-first-out basis within a specific period. The SSE/SZSE (as the case may be) and the SEHK will issue warnings or restrict the buy orders for the related China A-Shares if the percentage of total shareholding is approaching the upper limit.

As there are limits on the total shares held by all underlying foreign investors in one listed company in the PRC, the capacity of the relevant Funds to make investments in A-Shares will be affected by the activities of all underlying foreign investors investing through China Connect or any other permissible ways to obtain A-Shares investment exposures.

(xxx) Risk associated with short swing profit rule – According to the PRC Securities Law（中華人民共和國證券法）, a shareholder of 5% or more of the total issued shares of a PRC listed company ("major shareholder") has to return any profits obtained from the purchase and sale of shares of such PRC listed company if both transactions occur within a six-month period. In the event that a relevant Fund or the Investment Manager (deemed as person acting in concert) becomes a major shareholder of a PRC listed company by investing in China A-Shares via China Connect, the profits that the relevant Fund may derive from such investments may be limited, and thus the performance of the relevant Fund may be adversely affected.

(xxxi) Risks associated with China Connect – Certain Funds may invest through China Connect. In addition to the risks associated with the China market, RMB currency risk, risk associated with foreign shareholding restrictions on China A-Shares and risk associated with short swing profit rule, they are also subject to the following additional risks:

<u>Quota limitations</u>

- China Connect is subject to daily quota limitations. In particular, once the remaining balance of the relevant Northbound Daily Quota drops to zero or the relevant Northbound Daily Quota is exceeded during the opening call session, new buy orders will be rejected (though investors will be allowed to sell their cross boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the relevant Funds' ability to invest in China A-Shares through China Connect on a timely basis, and the relevant Funds may not be able to effectively pursue its investment strategies.

<u>Suspension risk</u>

- It is contemplated that each of SEHK, SSE and SZSE would reserve the right to suspend Northbound and/or Southbound trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the Northbound trading through China Connect is effected, the relevant Funds' ability to access the PRC market will be adversely affected. The relevant Funds may therefore not be able to sell the A shares acquired via China Connect to meet any redemption requests in timely manner. In such event, the relevant Fund's ability to achieve its investment objective could be negatively affected.

<u>Operational risk</u>

- China Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.
- It should be appreciated that the securities regimes and legal systems of the two markets differ significantly and in order for the trial program to operate, market participants may need to address issues arising from the differences on an on-going basis.

- Further, the "connectivity" in the China Connect program requires routing of orders across the border. This requires the development of new information technology systems on the part of the SEHK and exchange participants (i.e. a new order routing system ("China Stock Connect System") set up by SEHK to which exchange participants need to connect). There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both Hong Kong and Shanghai or Shenzhen (as the case maybe) markets. In the event that the relevant systems failed to function properly, trading in both Hong Kong and Shanghai or Shenzhen (as the case maybe) markets through the program could be disrupted. The relevant Funds' ability to access the China A-Share market (and hence to pursue its investment strategy) will be adversely affected.

Restrictions on selling imposed by front-end monitoring

- PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise SSE or SZSE (as the case may be) will reject the sell order concerned. SEHK will carry out pre-trade checking on China A-Shares sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

- If the relevant Funds desire to sell certain China A-Shares they hold, they must transfer those China A-Shares to the respective accounts of their brokers before the market opens on the day of selling ("trading day") unless their brokers can otherwise confirm that the Funds have sufficient shares in their respective accounts. If a Fund fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, the relevant Fund may not be able to dispose of holdings of China A-Shares in a timely manner.

  Alternatively, if a Fund maintains its China A-Shares with a custodian which is a custodian participant or general clearing participant participating in CCASS, the relevant Fund may request such custodian to open a special segregated account ("SPSA") in CCASS to maintain its holdings in China A-Shares under the enhanced pre-trade checking model. Each SPSA will be assigned a unique "Investor ID" by CCASS for the purpose of facilitating the China Connect system to verify the holdings of an investor such as the relevant Fund. Provided that there is sufficient holding in the SPSA when a broker inputs the relevant Fund's sell order, the relevant Fund will only need to transfer China A-Shares from its SPSA to its broker's account after execution and not before placing the sell order and the relevant Fund will not be subject to the risk of being unable to dispose of its holdings of China A-Shares in a timely manner due to failure to transfer China A-Shares to its brokers in a timely manner.

Recalling of eligible stocks

- When a stock is recalled from the scope of eligible stocks for trading via China Connect, the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the relevant Funds, for example, when the Manager wishes to purchase a stock which is recalled from the scope of eligible stocks.

Clearing and settlement risk

- The HKSCC and ChinaClear has established the clearing links and each will become a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

- Should the remote event of ChinaClear default occur and ChinaClear be declared as a defaulter, HKSCC's liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the relevant Fund may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

Participation in corporate actions and shareholders' meetings

- HKSCC will keep CCASS participants informed of corporate actions of SSE and SZSE securities. Hong Kong and overseas investors (including the relevant Funds) will need to comply with the arrangement and deadline specified by their respective brokers or custodians (i.e. CCASS participants). The time for them to take actions for some types of corporate actions of China A-Shares may be as short as one business day only. Therefore, the relevant Funds may not be able to participate in some corporate actions in a timely manner.

- Hong Kong and overseas investors (including the relevant Funds) are holding China A-Shares traded via the China Connect program through their brokers or custodians. According to existing mainland practice, multiple proxies are not available. Therefore, the relevant Funds may not be able to appoint proxies to attend or participate in shareholders' meetings in respect of the China A-Shares.

Risk of default by brokers

- Investment through China Connect is conducted through broker(s), and is subject to the risks of default by such broker(s) in their obligations.

Regulatory risk

- China Connect is subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under China Connect.

It should be noted that the rules and regulations are untested and there is no certainty as to how they will be applied. Moreover, the current rules and regulations are subject to change which may have potential retrospective effect. There can be no assurance that China Connect will not be abolished. The relevant Funds, which may invest in the PRC markets through China Connect, may be adversely affected as a result of such changes.

(xxxii) Risks associated with the investments in stocks listed on the Small and Medium Enterprise Board ("SME Board") and/or the ChiNext Board of the SZSE and/or the Science and Technology Innovation Board ("STAR Board") of the SSE – Certain Funds may invest in stocks listed on the SME Board and/ or the ChiNext Board of the SZSE via the Shenzhen-Hong Kong Stock Connect and/or the STAR Board via the Shanghai-Hong Kong Stock Connect. Investments in the SME Board and/ or ChiNext Board and/or STAR Board may result in significant losses for the relevant Funds and their investors. The following additional risks apply:

Higher fluctuation on stock prices and liquidity risk

Listed companies on the SME Board, ChiNext Board and/or STAR Board are usually of emerging nature with smaller operating scale. In particular, listed companies on STAR Board are subject to wider price fluctuation limits, and due to higher entry thresholds for investors, stocks listed on STAR Board may have limited liquidity, compared to those listed on other boards. Hence, they are subject to higher fluctuation in stock prices and liquidity and have higher risks and turnover ratios than companies listed on the main board.

Over-valuation risk

Stocks listed on the SME Board, ChiNext Board and/or STAR Board may be given a highervaluation and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

Differences in regulations applicable to ChiNext Board and STAR Board

The rules and regulations regarding companies listed on ChiNext Board and STAR Board are less stringent in terms of profitability and share capital than those on the main board and SME Board.

Delisting risk

It may be more common and faster for companies listed on the SME Board, ChiNext Board and/or STAR Board to delist. In particular, STAR Board has stricter criteria for delisting compared to other boards. This may have an adverse impact on the relevant Funds if the companies that they invest in are delisted.

Concentration risk applicable to STAR Board

STAR Board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in STAR Board may be concentrated in a small number of stocks and subject the Fund to higher concentration risk.

(xxxiii) Risks associated with investments in the China interbank bond market (the "CIBM") – Certain Funds may invest in Chinese debt securities traded on the CIBM through the CIBM Initiative[1] and/or Bond Connect[2]. The CIBM is in a stage of development and the market capitalisation and trading volume may be lower than those of the more developed markets. Market volatility and potential lack of liquidity due to low trading volume may result in prices of debt securities traded on such market fluctuating significantly. The bid and offer spreads of the prices of such debt securities may be large, and the relevant Funds may therefore incur significant trading and realisation costs and may even suffer losses when selling such investments. Investments in CIBM may be subject to liquidity, volatility, regulatory, PRC tax risk and risks associated with settlement procedures and default of counterparties.

Under the prevailing regulations in Mainland China, if foreign institutional investors wish to invest in CIBM through the CIMB Initiative and/or Bond Connect, the relevant filings, registration with People's Bank of China and account opening for investment in the CIBM have to be carried out via an onshore settlement agent, offshore custody agent, registration agent or other third parties (as the case may be). As such, the relevant Fund is subject to the risks of default or errors on the part of such third parties.

In terms of fund remittance and repatriation under the CIBM Initiative, foreign investors (such as the relevant Fund) may remit investment principal in RMB or foreign currency into Mainland China for investing in the CIBM. Where the relevant Fund repatriates funds out of Mainland China, the ratio of RMB to foreign currency ("Currency Ratio") should generally match the original Currency Ratio when the investment principal was remitted into Mainland China, with a maximum permissible deviation of 10%.

Trading through Bond Connect is performed through newly developed trading platforms and operational systems. There is no assurance that such systems will function properly or will continue to be adapted to changes and developments in the market. In the event that the relevant systems fail to function properly, trading through Bond Connect may be disrupted. The relevant Fund's ability to trade through Bond Connect (and hence to pursue its investment strategy) may therefore be adversely affected. In addition, where a Fund invests in the CIBM through Bond Connect, it may be subject to risks of delays inherent in the order placing and/or settlement systems.

The relevant rules and regulations on the CIBM Initiative and Bond Connect are subject to change which may have potential retrospective effect. In the event that the relevant Mainland Chinese authorities suspend account opening or trading on the CIBM, the relevant Fund's ability to invest in the CIBM will be limited and, after exhausting other trading alternatives, the relevant Fund may suffer substantial losses as a result.

There are risks and uncertainties associated with current PRC tax laws, regulations and practice on a Fund's investments in the PRC. For details on PRC tax risk consideration and taxation of the Funds in the PRC market, please refer to the risk factor "(xvii) People's Republic of China ("PRC") tax risk consideration" under the section entitled "RISKS" and the sub-paragraph entitled "The People's Republic of China ("PRC")" under the sub-section entitled "(iv) Investment Markets" under Section D – TAX NOTES of the Consolidated Explanatory Memoranda.

(xxxiv) Risks associated with equity-linked notes and participation notes – Certain Funds may invest in instruments which are linked to the performance of securities or indices such as participation notes and equity-linked notes. Investment in these instruments can be illiquid, if there is no active market for these instruments. Such instruments are complex in nature. Therefore there are risks of mispricing or improper valuation and possibilities that these instruments do not always perfectly track the value of the securities or indices they are designed to track. Improper valuations can result in increased payments to counterparties or a loss in the value of the relevant Fund.

These instruments will also be subject to insolvency or default risk of the issuers or counterparties. In addition, investment through these instruments may lead to a dilution of performance of the relevant Fund when compared to a fund investing directly in similar assets. Besides, many such structured products involve an embedded leverage. This is because such instruments provide significantly larger market exposure than the money paid or deposited when the transaction is entered into, so a relatively small adverse market movement could expose the relevant Fund to the possibility of a loss exceeding the original amount invested.

[1] In February 2016, the People's Bank of China announced the opening-up of the CIBM to a wider group of eligible foreign institutional investors free of quota restriction (the "CIBM Initiative").

[2] As defined in the joint announcement of the People's Bank of China and the Hong Kong Monetary Authority dated 16 May 2017, "Bond Connect" is an arrangement that establishes mutual bond market access between Hong Kong and mainland China. Eligible foreign investors can invest in the CIBM through Northbound Trading of the Bond Connect.

(xxxv) Risks of investing in other collective investment schemes – Certain Funds may invest in other collective investment schemes. Such Funds will be subject to the risks associated with the underlying collective investment schemes it invests in. Such Funds do not have control of the investments of the underlying schemes and there is no assurance that the investment objective and strategy of the underlying schemes will be successfully achieved which may have a negative impact to the net asset value of such Funds.

The underlying schemes in which the Funds may invest may not be regulated by the SFC. There may be additional costs involved when investing into these underlying schemes. There is also no guarantee that the underlying schemes will always have sufficient liquidity to meet the Funds' redemption requests as and when made.

(xxxvi) Risks associated with collateral management and re-investment of cash collateral – Where a Fund enters into a non-cleared over-the-counter ("OTC") derivative transaction, collateral may be received from or provided to the relevant counterparty.

Currently, the Funds may receive or post cash collateral but does not accept or post non-cash collateral from/to counterparties. As a result, both a Fund and its counterparty need to hold a proportion of its assets in cash to satisfy any applicable margining requirements. This may have a positive or negative impact on the performance of a Fund. While receiving cash collateral may reduce counterparty risk, if a Fund has insufficient cash to meet daily variation margin requirements, it may have to sell securities to meet such requirements.

Cash collateral may be placed as bank deposits in banks or other deposit-taking companies which might not be subject to full or partial protection from the government or regulatory body. A Fund may suffer a significant or even total loss in the event of bankruptcy of such banks or deposit-taking companies.

Where cash collateral received by a Fund is re-invested in short-term deposits or high quality money market instruments, the relevant Fund will be exposed to the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested.

In view of the above, investment in the Funds should be regarded as long term in nature. The Funds are, therefore, only suitable for investors who can afford the risks involved.

CLASSES OF UNITS

Pursuant to the Trust Deeds of certain Funds, the Manager may decide to issue separate classes (each a "Class") whose assets will be commonly invested but where a specific fee structure, currency or distribution policy may be applied. Each Class may have a different charging structure with the result that the net asset value attributable to each Class may differ. In particular, Class C units are only available to institutional investors and certain designated distributors.

The Manager also has the power under the Trust Deed to cease to offer any Class (either temporarily or permanently). The Manager shall be entitled to cancel all units of a particular Class then in issue if at any time the net asset value of that Class falls below US$5 million (or its equivalent in another currency) or at any time with the sanction of an Extraordinary Resolution. In such event, the Manager shall issue to the affected unitholders units of an equivalent value of such other existing Class (if any) as the Manager may in its absolute discretion determine. Prior to such cancellation and issue of units, the Manager shall give the Trustee and all affected unitholders one month's notice (or such other notice period as required by the SFC) of its determination to cancel that Class and the new Class of units to be issued in substitution therefor (if any).

Details of these Classes are described in the relevant section of Appendix I.

Currency Hedged Classes

The Manager, at its absolute discretion, has the power to issue Currency Hedged Classes. For such Currency Hedged Classes, the Manager may hedge the currency exposure of Classes denominated in a currency other than the currency of denomination of a Fund against that Fund's denominating currency, in order to attempt to mitigate the effect of fluctuations in the exchange rate between the Class currency and the currency of denomination of that Fund. As this type of foreign exchange hedging may be utilised for the benefit of a particular Currency Hedged Class, its costs and resultant profit or loss on the hedging transaction shall be for the account of that Currency Hedged Class only. Investors should note that the additional costs associated with this form of hedging include the borrowing costs (if any) and the transaction costs relating to the instruments and contracts used to implement the hedge. The costs and the resultant profit or loss on the hedged transaction will be reflected in the net asset value per unit for units of the relevant Currency Hedged Class.

The precise hedging strategy applied to a particular Currency Hedged Class may vary. In general, the Manager intends to implement the foreign exchange hedge by using derivative instruments. Investors should note that while it is not the intention, over-hedged or

under-hedged positions may arise due to factors outside the control of the Manager such as fluctuation of the net asset value of a Fund. Investors in the Currency Hedged Classes may have exposure to currencies other than the currency of that Currency Hedged Class. Investors should also be aware that the hedging strategy may substantially limit the benefits of any potential increase in value of a Currency Hedged Class expressed in the Class currency, if the Currency Hedged Class' denominating currency falls against the currency of denomination of a Fund.

The Manager may also, at its absolute discretion, seek to fully or partially hedge currency exposures arising from some or all of a Fund's underlying assets to the currency of denomination of that Fund. Investors whose base currency is different (or not in a currency linked to those Funds' currency of denomination or the currency of that Currency Hedged Class) may be exposed to additional currency risk. There is no guarantee that hedging techniques of the Currency Hedged Class or a Fund will achieve the desired result. This type of hedging activity is separate from and unrelated to the hedging activity discussed under this heading relating solely to Currency Hedged Classes.

AUD Hedged Class/CAD Hedged Class/EUR Hedged Class/GBP Hedged Class/HKD Hedged Class/NZD Hedged Class/RMB Hedged Class/SGD Hedged Class/USD Hedged Class

Certain Funds currently offer some or all of the following Currency Hedged Classes: the AUD Hedged Class, the CAD Hedged Class, the EUR Hedged Class, the GBP Hedged Class, the HKD Hedged Class, the NZD Hedged Class, the RMB Hedged Class, the SGD Hedged Class and the USD Hedged Class which are primarily targeted for investors whose base currencies of investment are Australian dollars, Canadian dollars, Euros, Sterling, Hong Kong dollars, New Zealand dollars, Renminbi, Singapore dollars and US dollars respectively.

The AUD Hedged Class, the CAD Hedged Class, the EUR Hedged Class, the GBP Hedged Class, the HKD Hedged Class, the NZD Hedged Class, the RMB Hedged Class, the SGD Hedged Class and the USD Hedged Class aim to provide a return on investment which correlates with the return of the Class of unit which is denominated in the base currency of the relevant Fund (e.g. USD Class for those Funds which adopt US dollars as base currency and JPY Class for those Funds which adopt Japanese yen as base currency) by reducing the effect of exchange rate fluctuations between the relevant Fund's base currency (e.g. US dollars or Japanese yen) and the AUD Hedged Class currency (i.e. Australian dollars), the CAD Hedged Class currency (i.e. Canadian dollars), the EUR Hedged Class currency (i.e. Euros), the GBP Hedged Class currency (i.e. Sterling), the HKD Hedged Class currency (i.e. HK dollars), the NZD Hedged Class currency (i.e. New Zealand dollars), the RMB Hedged Class currency (i.e. Renminbi), the SGD Hedged Class currency (i.e. Singapore dollars) and the USD Hedged Class currency (i.e. US dollars) respectively whilst taking into account practical considerations such as transaction costs.

However, the return of the AUD Hedged Class, the CAD Hedged Class, the EUR Hedged Class, the GBP Hedged Class, the HKD Hedged Class, the NZD Hedged Class, the RMB Hedged Class, the SGD Hedged Class and the USD Hedged Class will never correlate perfectly to the Class of unit which is denominated in the relevant Fund's base currency (e.g. USD Class or JPY Class) due to various factors, including but not limited to short-term interest rate differentials, unrealised gains/losses on currency forward positions not being invested until the gains/losses are realised and transaction costs attributable to the hedging activity. Investors should also note that the distribution amount and/or rate of the Currency Hedged Classes may be more than or less than such amount and/or rate of the Class of unit which is denominated in the relevant Fund's base currency (e.g. USD Class or JPY Class) due to various factors, including but not limited to short-term interest rate differentials.

Consequently, the AUD Hedged Class is not recommended for investors whose base currency of investment is not Australian dollars. Investors who choose to convert other currencies into Australian dollars to invest in the AUD Hedged Class should understand that they may be exposed to higher currency risks and may suffer a higher loss as a result of exchange rate fluctuations than an investor whose base currency of investment is in Australian dollars.

Similarly, the CAD Hedged Class, the EUR Hedged Class, the GBP Hedged Class, the HKD Hedged Class, the NZD Hedged Class, the RMB Hedged Class, the SGD Hedged Class and the USD Hedged Class are not recommended for investors whose base currencies of investment are not Canadian dollars (for the CAD Hedged Class), Euros (for the EUR Hedged Class), Sterling (for the GBP Hedged Class), Hong Kong dollars (for the HKD Hedged Class), New Zealand dollars (for the NZD Hedged Class), Renminbi (for the RMB Hedged Class), Singapore dollars (for the SGD Hedged Class) and US dollars (for the USD Hedged Class).

DISTRIBUTION POLICY

Each Fund may adopt different distribution policy. Unless otherwise stated in the specific section of the relevant Fund, all income will be accumulated and reinvested within the relevant Fund. Although the Trust Deeds contain provisions under which the Manager has the discretion to determine the amount to be distributed to unitholders, it is not the current intention of the Manager that such distribution will be made, unless otherwise stated in the specific section of the relevant Fund.

For the Fund which intends to distribute income to investors, additional information in relation to the distribution policy will be set out in the sub-section entitled "Distribution Policy" of the relevant Fund in Appendix I – Fund Details of Asia Pacific Equity Funds.

BASES OF VALUATIONS

The method of establishing the net asset value of the Funds is set out in their respective Trust Deeds. The net asset value per unit of each Fund is calculated by dividing the value of the assets of the Fund less its liabilities, by the total number of units in issue of that Fund as at 5:00 p.m. (Hong Kong time) on the immediate preceding dealing day or such other time agreed between the Manager and the Trustee, and naturally rounding the resultant sum to two decimal places or to the nearest unit of currency if the Fund is denominated in Japanese yen. Any rounding adjustment arising in respect thereof will be retained by the Fund. In general, quoted investments are valued at their closing price and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Manager or a professional person engaged for this purpose. Interest and other income and liabilities are, where practicable, accrued from day to day. Such valuations will be expressed in the currency in which the relevant Fund is denominated. The Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

For Funds with different Classes, the method of establishing the net asset value of each Class is set out in their respective Trust Deeds. The net asset value per unit of each Class is calculated by dividing the value of the assets of that Class, less liabilities of that Class, by the total number of units of that Class in issue as at 5:00 p.m. (Hong Kong time) on the immediately preceding dealing day or such other time agreed between the Manager and the Trustee, and naturally rounding the resultant sum to two decimal places or to the nearest unit of currency if the relevant Class is denominated in Japanese yen. Any rounding adjustment arising in respect thereof will be retained by the relevant Class. In general, quoted investments are valued at their closing price and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Manager or a professional person engaged for this purpose. Interest and other income and liabilities are, where practicable, accrued from day to day. Such valuations will be expressed in the offering currency of the relevant Class. The Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

Market volatility may result in a discrepancy between the latest available net asset value for a Fund or a Class and the fair value of the assets of the relevant Fund or the relevant Class. Certain investors might exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on redemption, other unitholders may suffer a dilution in the value of their investment. As a safeguard against such exploitation, the Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the net asset value of the relevant Fund/Class or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders. It should be noted that the bases of valuations adopted by the relevant Fund/Class may not be the same as the accounting principles generally accepted in Hong Kong. Further details are set out in the section entitled "Reports and Accounts" below.

It should be noted that due to the difference of the fund domiciles the valuation points used by the JPMorgan Funds (Unit Trust Range) and JPMorgan series of funds for fair valuation (where applied) may vary. For details please refer to the respective offering document(s).

DEALING

Applications for subscription, redemption and switching of units may be made through JPMorgan Funds (Asia) Limited or such other approved intermediaries, which include banks, brokers, securities dealers and other investment advisers (collectively, "Distributors") appointed by JPMorgan Funds (Asia) Limited. The dealing procedures described in this section and in the sections entitled "SUBCRIPTIONS", "REDEMPTIONS" and "SWITCHING" respectively below are only applicable to dealings made through JPMorgan Funds (Asia) Limited. Other Distributors may have different dealing procedures, for example, earlier dealing cut-off time and different minimum investment amounts. As such, investors who intend to subscribe, redeem or switch units through a Distributor other than JPMorgan Funds (Asia) Limited should consult the relevant Distributor to find out the dealing procedures that are applicable to them.

Applications for subscription, redemption and switching of units may also be made through other channels from time to time specified by JPMorgan Funds (Asia) Limited. Investors who intend to subscribe, redeem or switch units through such channels should consult JPMorgan Funds (Asia) Limited to find out the dealing procedures that are applicable to them.

Units will normally be issued or redeemed on any dealing day which will normally be every day (other than a Saturday or a Sunday or a Hong Kong public holiday) on which banks in Hong Kong are open for normal banking business and on which stock exchanges in markets on which, in the opinion of the Manager, all or part of investments of the relevant Fund are quoted, listed or dealt in are open for trading.

In order for units of a particular Fund to be issued or redeemed on a particular dealing day, a subscription application or redemption request (as the case may be) must be received by JPMorgan Funds (Asia) Limited not later than 5:00 p.m. (Hong Kong time) on that dealing day or such other time agreed between the Manager and the Trustee. Subscription applications or redemption requests received after that time will be dealt with on the immediately following dealing day. For any transactions involving currency conversion, please note that variation in fund domiciles and/or transaction types may result in different currency exchange rate being applied.

The Funds do not permit market timing or related excessive, short-term trading practices deployed by any investors. In general, market timing refers to the systematic investment behaviour of an investor subscribing, redeeming or switching units of the same Fund within a short period of time on the basis of predetermined prices by taking advantage of time differences and/or imperfections and deficiencies in the method of determination of net asset value. Accordingly, to protect the best interests of unitholders, the Funds and/or the Manager reserve the right to reject any application for the subscription or switching of units from any investor engaging in such practices or suspected of engaging in such practices and to take such further action as they, in their discretion, may deem appropriate or necessary.

In addition, unitholders are required to notify the Manager immediately in the event that they are or become US Persons (under the guidelines set forth by the US Commodities Futures Trading Commission in its Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations, as amended, as defined under the US Securities Act of 1933 as amended or as defined under the US Internal Revenue Code of 1986, as amended) or hold units for the account or benefit of US Persons or hold units in breach of any law or regulation or otherwise in circumstances having, or which may have, adverse regulatory, tax or fiscal consequences for the Fund or the unitholders or otherwise be detrimental to the interests of the Fund. If in the opinion of the Manager that a unitholder is holding units in breach of any law or regulation or otherwise in circumstances having, or which may have, adverse regulatory, tax or fiscal consequences for the Fund or the unitholders or otherwise be detrimental to the interests of the Fund or the unitholder has become or is a US Person, the Manager may, in its sole discretion, redeem the units of the unitholder in accordance with the provisions of the Trust Deed. Should a unitholder become a US Person, he may be subject to US withholding taxes and tax reporting.

SUBSCRIPTIONS

The Manager has absolute discretion to accept or reject in whole or in part any application for units.

Issue of Units

Units of each Fund will be issued at the net asset value per unit (or for Funds with different Classes, at the net asset value per unit of the relevant Class) as at the close of business on the relevant dealing day. The Manager may charge an initial charge (normally up to 5 per cent. of the net asset value per unit) on the issue of each unit, which will be deducted from the gross subscription amount where applicable.

For applicants who subscribe units of a Fund by the number of units, initial charge amount is calculated as follows: initial charge amount = units allotted x net asset value per unit x initial charge %

For applicants who subscribe units of a Fund by amount, initial charge amount is calculated as follows: initial charge amount = gross subscription amount x initial charge % / (1 + initial charge %)

The initial charge amount shall be rounded down to two decimal places or to the nearest unit of currency if the amount is in Japanese Yen and the number of units allotted to the applicant shall be naturally rounded to three decimal places. Where the number of units is rounded up, the amount corresponding to rounding shall accrue to the applicant. Where the number of units is rounded down, the amount corresponding to rounding shall accrue to the relevant Fund.

The amount of the initial charge will be retained by the Manager or, for JPMorgan India Fund only, the Hong Kong Representative, for its own benefit or use. The Manager may also add the fiscal charges, which will be reflected in the net asset value per unit, on subscription of units. For details of the fiscal charges policy of the Funds, please refer to the sub-section entitled “Fiscal Charge” under the section entitled “FEES, CHARGES AND LIABILITIES” below.

Procedure for Application

The minimum lump sum investment for each of the Funds is normally US$2,000 or its equivalent in another currency. Alternatively, monthly investments may be made at a minimum of HK$1,000 for each of the Funds. The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment as permitted under the constitutive documents of the Funds and in respect of dealing through other channels as specified by JPMorgan Funds (Asia) Limited.

For Funds with different Classes (except for Classes of units denominated in RMB and Class C), the minimum lump sum investment for each Class is normally US$2,000 or its equivalent in another currency; whereas for the Classes of units denominated in RMB (except for Class C), the minimum lump sum investment for each such Class is normally RMB16,000 or its equivalent in another currency. In respect of Class C, the minimum lump sum investment of such Class is normally US$10,000,000 or its equivalent in another currency. Alternatively, monthly investments may be made at a minimum of HK$1,000 for each Class. Monthly investments are not applicable to Class C. The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment as permitted under the constitutive documents of the Funds and in respect of dealing through other channels as determined by JPMorgan Funds (Asia) Limited from time to time.

Units may be purchased by completing an application form. All applications should be sent to the Manager. In addition, JPMorgan Funds (Asia) Limited may accept applications made over the telephone, subject to certain conditions. No application should be lodged with any intermediary in Hong Kong who is not licensed or registered to carry on Type 1 regulated activity (dealing in securities) under Part V of the SFO or who does not fall within the statutory or other applicable exemption from the requirement to be so licensed or registered.

Alternative arrangements may be made for unitholders who wish to subscribe in a currency other than the currency of denomination of a Fund or a Class such as HK dollars or Sterling. Unitholders are advised to contact the Manager if they wish to pay in any other currencies. In such cases, the costs of conversion into the currency in which the Fund or the Class is denominated will be deducted from the subscription monies. The rate of conversion may be at the prevailing market rate as determined by the Manager on the dealing day. An applicant may be affected unfavorably by fluctuations in exchange rates between these currencies.

Payment may be made by cheque payable to "JPMorgan Funds (Asia) Limited" and crossed "A/C Payee Only, Not Negotiable" or by telegraphic/bank transfer, in which case the subscription amount should be transferred net of any bank and other administrative charges (i.e. the applicant is required to pay any bank or other administrative charges). A copy of the telegraphic/bank transfer request, duly receipted by the remitting bank, should accompany the application form.

Payment from third parties or in cash will not be accepted.

A contract note will be sent to successful applicants. Where subscription monies are not enclosed with the application form, settlement is due immediately upon issue of the contract note. If payment in cleared funds is not received within seven calendar days from and excluding the relevant dealing day, the application may at the discretion of the Manager (and must if the Trustee so requires or if the units in question are more than 5 per cent. of all units in issue) be considered void and cancelled. In such event, the Manager will be entitled to charge the applicant (and retain for its own account) a cancellation fee of such amount as it may determine to represent the costs involved in processing the application, the cost of any currency exchange (if applicable) and may require the applicant to pay to the Manager the difference between the net asset value per unit on the date the units were issued, and the date the units were cancelled (where applicable fiscal charge may be reflected in the net asset value per unit), and any applicable initial and redemption charges.

Any units issued will be registered in the name of the relevant unitholders in the register of unitholders kept by the Registrar.

Evidence of Identity – Anti-Money Laundering

In order to ensure compliance with any guidelines or regulations which may be applicable relating to the prevention of money laundering, applicants will be required to provide evidence of identity and, in the case of corporate applicants, of legal existence and corporate authority. Where an applicant is acting on behalf of another person, evidence of the identity of the principal, or confirmation by the applicant that evidence of the underlying principal has been obtained and that the applicant is satisfied as to the source of funds, will be required. Where an applicant fails to provide such evidence or confirmation on request, the application will be rejected.

The Trustee, the Manager and their delegates also reserve the right to refuse to make any redemption payment to a unitholder if the Trustee, the Manager or their delegates suspect or are advised that the payment of redemption proceeds to such unitholder might result in a breach of applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction, or if such refusal is considered necessary or appropriate to ensure the compliance by the Trustee and its delegates with any such laws or regulations in any applicable jurisdiction.

REDEMPTIONS

Redemption of Units

Units of each Fund will be redeemed at the net asset value per unit (or for Funds with different Classes, at the net asset value per unit of the relevant Class) as at the close of business on the relevant dealing day. The Manager may charge a redemption charge (normally up to 0.5 per cent. of the net asset value per unit) on the redemption of units and such charge will be deducted from the redemption monies where applicable.

For unitholders who redeem units of a Fund by the number of units, redemption charge amount is calculated as follows: redemption charge amount = units redeemed x net asset value per unit x redemption charge %

For unitholders who redeem units of a Fund by amount, redemption charge amount is calculated as follows: redemption charge amount = net redemption amount x redemption charge % / (1 – redemption charge %)

The redemption charge amount shall be rounded down to two decimal places or to the nearest unit of currency if the amount is in Japanese Yen and the amount of redemption monies shall be naturally rounded to two decimal places or to the nearest unit of currency if the amount is in Japanese Yen. Where the amount of redemption monies is rounded up, the amount corresponding to rounding shall accrue to the redeeming unitholder. Where the amount of redemption monies is rounded down, the amount corresponding to rounding shall accrue to the relevant Fund.

The amount of the redemption charge will be retained by the Manager or, for JPMorgan India Fund only, the Hong Kong Representative, for its own benefit or use. However, the Manager or, for JPMorgan India Fund only, the Hong Kong Representative, does not currently levy any redemption charge. The Manager may also deduct the fiscal charges, which will be reflected in the net asset value per unit, from redemption of units. For details of the fiscal charges policy of the Funds, please refer to the sub-section entitled "Fiscal Charge" under the section entitled "FEES, CHARGES AND LIABILITIES" below.

Procedure for Redemption

Requests for the redemption of units should be made by facsimile or other written or electronic form specified by the Manager stating the number of units or an amount in the currency of denomination of a Fund or a Class or other currency to be redeemed.

JPMorgan Funds (Asia) Limited may also agree to accept redemption requests over the telephone, subject to certain conditions.

Partial redemptions of holdings of a Fund are permitted, provided that they do not result in a unitholder holding units in that Fund having an aggregate value of less than normally US$2,000, or its equivalent in another currency, after the request had been processed. If a redemption or switch request results in a holding below US$2,000, or its equivalent in another currency, after the request had been processed, the Manager may, at its absolute discretion, treat the redemption or switch request as an instruction to redeem or switch, as appropriate, the total holding in the relevant Fund.

For Funds with different Classes (except for Classes of units denominated in RMB and Class C), partial redemptions of holdings of the Fund are permitted, provided that they do not result in a unitholder holding units in the Fund having an aggregate value of less than normally US$2,000, or its equivalent in another currency, after the request has been processed. If a redemption or switch request results in a holding below US$2,000, or its equivalent in another currency, after the request had been processed, the Manager may, at its absolute discretion, treat the redemption or switch request as an instruction to redeem or switch, as appropriate, the total holding in the relevant Class.

For the Classes of units denominated in RMB (except for Class C), partial redemptions of holdings of the Fund are permitted, provided that they do not result in a unitholder holding units in the RMB denominated Class having an aggregate value of less than normally RMB16,000, after the request had been processed. If a redemption or switch request results in a holding below RMB16,000, after the request had been processed, the Manager may, at its absolute discretion, treat the redemption or switch request as an instruction to redeem or switch, as appropriate, the total holding in the relevant Class.

For Class C, partial redemptions of holdings of the Fund are permitted, provided that they do not result in a unitholder holding units in Class C having an aggregate value of less than normally US$10,000,000 or its equivalent in another currency, after the request had been processed. If a redemption or switch request results in a holding below US$10,000,000 or its equivalent in another currency, after the request had been processed, the Manager may, at its absolute discretion, treat the redemption or switch request as an instruction to redeem or switch, as appropriate, the total holding in such Class.

For partial redemptions of holdings of a Fund through any other channels from time to time specified by JPMorgan Funds (Asia) Limited, investors should consult JPMorgan Funds (Asia) Limited to find out the minimum holding after redemption that is applicable to them.

The redemption monies payable will be expressed in the currency of denomination of the relevant Fund or the Class and payment will normally be made in the same currency. Arrangements may be made with the Manager for unitholders to receive payment in any other freely convertible currency. Unitholders are advised to contact the Manager for details of such arrangements. In such cases, the Manager will charge the applicant the costs of conversion from the currency in which the Fund or the Class is denominated, which may be at the prevailing market rate as determined by the Manager on the dealing day. Any exchange costs will be deducted from the redemption monies. An applicant may be affected unfavorably by fluctuations in exchange rates between these currencies.

The amount due on the redemption of units of the Funds (except JPMorgan India Fund and JPMorgan Philippine Fund) will normally be paid within five business days. For JPMorgan India Fund and JPMorgan Philippine Fund, the amount due on the redemption of units will normally be paid within seven business days. In any event, the redemption proceeds will be paid not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require. Failure to provide such information may delay the payment of redemption proceeds. Except for redemption proceeds in RMB, payment will normally be made by telegraphic transfer where the unitholder has provided payment details for this purpose. Unitholders may be liable for any bank charges on payment by telegraphic transfer. Where the unitholder has not provided bank payment details or where the redemption amount is less than US$1,000 (or its equivalent in another currency), redemption proceeds will normally be paid by cheque, posted at the risk of the unitholder. No third party payments will be made. Payment of redemption proceeds in RMB will normally be made by telegraphic transfer, unless otherwise agreed by the Manager. Unitholders may be liable for any bank charges on payment by telegraphic transfer. Notwithstanding the aforesaid, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, the Manager may pay redemption monies in US dollars.

Suspension of Redemptions

The Manager, may having regard to the best interests of unitholders and after consultation with the Trustee, suspend the right of unitholders to redeem their units and/or delay the payment of any redemption under the following situations:

a) any market on which a substantial part of the investments comprising a Fund is traded or capable of being traded is closed otherwise than in the ordinary course; or

b) trading on any such market is restricted or suspended; or

c) disposal of investments comprising a Fund cannot, in the opinion of the Manager, be effected reasonably practicably, the dealing process of a Fund cannot be conducted without undue delay or without prejudicing the interests of unitholders; or

d) there is any breakdown in any of the means normally employed by the Manager in determining the net asset value of a Fund or when for any other reason the value of any investment or other property comprising a Fund cannot, in the opinion of the Manager, reasonably be ascertained; or

e) the remittance of funds which will or may be involved in the redemption of or in payment for investments or the subscription for or redemption of units cannot, in the opinion of the Manager, be effected at reasonable prices or reasonable rates of exchange; or

f) in the opinion of the Manager, redemption of units cannot be effected or it is reasonably impractical to redeem units, due to adverse changes in the relevant laws and regulations; or

g) where the Manager considers such suspension or delay appropriate in the circumstances, having regard to the interest of unitholders.

If the redemption of units is suspended, units will be carried forward for redemption on the first dealing day after cessation of the suspension.

The Manager may also limit the total number of units redeemed for a Fund on any dealing day to 10 per cent. or more of the units in issue on any dealing day. In the event that the redemption of units is so limited, units will be redeemed between unitholders on a pro rata basis, but where such arrangement is deemed impracticable by the Manager, the Manager shall have the right to determine the manner in which units will be redeemed between unitholders. Those units not redeemed will be carried forward for redemption, subject to the same limitation, on the next succeeding dealing day.

In the case of suspension or deferral of redemption of units, units not redeemed on the first dealing day will be carried forward to the next succeeding dealing day and will be redeemed in priority to those redemption requests received on the next succeeding dealing day.

Notice of the imposition and ending of any suspension or delay in payment for any Fund will be published immediately following such decision and, in respect of declaration of suspension, at least once a month during the period of suspension after such declaration on the website am.jpmorgan.com/hk[#].

SWITCHING

Subject to any suspension of dealings and provided that the relevant JPMorgan Funds (Unit Trust Range) which a unitholder is switching into is open for subscription, any switching orders to invest in units of a JPMorgan Funds (Unit Trust Range) from another fund managed by the Manager or in respect of which the Manager acts as Hong Kong representative are generally effected upon completion of the redemption orders and the subsequent subscription orders.

Where a unitholder wishes to subscribe units of a Fund by switching from another fund managed by the Manager or in respect of which the Manager acts as Hong Kong representative, a reduced initial charge of 1 per cent. of the net asset value per unit may be charged by the particular Fund (other than switching from JPMorgan Money Fund or any share class of JPMorgan Funds - US Dollar Money Market Fund ("JPMF-USDMMF Shares") in which case the full initial charges will normally be charged), unless other arrangements have been made with the Manager, and such charge will be deducted from the switching amount where applicable.

Where a unitholder wishes to switch out of a Fund into another fund managed by the Manager or in respect of which the Manager acts as Hong Kong representative, the switch will be treated as a redemption of units in the first mentioned Fund and accordingly a redemption charge (if applicable) will be charged. In addition, an initial charge at a reduced rate of 1 per cent. of the net asset value per unit may be charged by the particular fund into which the redemption monies are transferred, unless other arrangements have been made with the Manager, and such charge will be deducted from the switching amount where applicable.

The redemption charge is currently at 0% of the net asset value per unit. Therefore, the switching fee under such circumstances shall be 1% of net asset value per unit/share of the fund to be switched in. The switching fee amount in relation to a switch from Fund A to Fund B is calculated as follows: switching fee amount = gross subscription amount in Fund B x initial charge % / (1 + initial charge %).

The switching fee amount shall be rounded down to two decimal places or to the nearest unit of currency if the amount is in Japanese Yen and the number of units/shares allotted to the applicant shall be naturally rounded to three decimal places. Where the number of units/shares is rounded up, the amount corresponding to rounding shall accrue to the applicant. Where the number of units/shares is rounded down, the amount corresponding to rounding shall accrue to the relevant fund.

Switching between Classes of units within the same Fund, between units of the Funds within the JPMorgan Funds (Unit Trust Range), or between a Fund and a fund within the JPMorgan Provident Funds range or the JPMorgan SAR Funds range (the "unit trust ranges"), will normally be completed on the same dealing day (i.e. Day T), and switching of units of a Fund to/from another fund in respect of which the Manager acts as Hong Kong representative (other than the funds within the unit trust ranges) will be completed on the next dealing day of the fund into which the switch is made following the dealing day on which the relevant switching order is received (i.e. Day T+1), except for the following:

If the switch is made into JPMorgan Money Fund units will not be purchased until the Manager has received the sale proceeds from the units of the Fund to be sold, within the timeline set out in the respective section of these Consolidated Explanatory Memoranda.

If the switch is made from JPMorgan India Fund, JPMorgan India Smaller Companies Fund, JPMorgan Philippine Fund or JPMorgan Vietnam Opportunities Fund into JPMorgan Funds - US Dollar Money Market Fund, shares will not be purchased until the Hong Kong representative of the JPMorgan Funds has received the sale proceeds from the units of the Fund to be sold, within the timeline set out in the respective section of these Consolidated Explanatory Memoranda.

For switching between Classes of units within the same Fund, between a Fund and another fund within the unit trust ranges, if the switch instruction is received on a day (i.e. Day T) that is not a dealing day for units to be redeemed, the switch will be effected on the next dealing day of the Fund or the relevant fund (as the case may be) (i.e. Day T+1). If the switch instruction is received on a day (i.e. Day T) that is a dealing day for units to be redeemed but not a dealing day for units to be purchased, the redemption will be effected on the dealing day on which the instruction is received (i.e. Day T) and the allotment will be effected on the next dealing day for the units to be purchased (i.e. Day T+1).

[#] The website has not been reviewed by the SFC.

For switching of units of a Fund to/from a fund within the other fund ranges, if the switch instruction is received on a day (i.e. Day T) that is not a dealing day of the fund for units to be redeemed (the "original fund"), the switch instruction will be deemed to be received on the next dealing day of the original fund (i.e. Day T+1). Accordingly, the switch (i.e. the allotment of units in the fund to be purchased) will be effected on the next dealing day following such dealing day (i.e. Day T+2). In the event that the fund to be purchased is not valued on a particular day, the redemption from the original fund will continue to be carried out on the dealing day of the original fund (i.e. Day T), but the allotment deal will be deferred to and effected on the next dealing day of the fund to be purchased in accordance with the procedure above.

Where the switching instruction involves switching into units denominated in a different currency, the Manager will charge the applicant the costs of conversion from the currency in which the relevant units are denominated, which will be at the prevailing market rate as determined by the Manager on the dealing day. An applicant may be affected unfavorably by fluctuations in exchange rates between these currencies.

FEES, CHARGES AND LIABILITIES

Initial and Redemption Charges

The Manager may make an initial charge (normally up to 5 per cent. of the net asset value per unit) from the gross subscription amount on the issue of units where applicable and receive a redemption charge (normally up to 0.5 per cent. of the net asset value per unit) from the redemption monies on the cancellation or redemption of units where applicable. Such amount may be retained by the Hong Kong Representative for JPMorgan India Fund. However, the Manager or, for JPMorgan India Fund only, the Hong Kong Representative, does not currently levy any redemption charge.

The Manager reimburses the Distributors a proportion of the commissions, fees, charges or other benefits received by it on the value of the relevant business introduced to each Fund.

Management Fee

The Manager is entitled to receive a management fee of up to 2.5 per cent. per annum of the net asset value of a Fund, and may only increase the level of this fee (which may not exceed 2.5 per cent. per annum of the net asset value of the Fund) by giving to the Trustee and the unitholders of the relevant Fund not less than one month's notice of the increased level of management fee. The management fee shall accrue daily based on the net asset value of the Fund on each dealing day and shall be payable monthly in arrears. If the assets of a Fund include interests in another collective investment scheme managed by the Manager or its Connected Persons, the management fee of the Manager will be reduced to take account of the management fee levied in respect of such collective investment scheme to the extent attributable to that Fund's interest in such collective investment scheme.

For Funds with different Classes, the Manager is entitled to receive a management fee of up to 2.5 per cent. per annum of the net asset value of each Class. The Manager may only increase the level of its fee (which may not exceed 2.5 per cent. per annum of the net asset value of each Class), by giving to the Trustee and unitholders not less than one month's notice of the increased level of management fee. The management fee shall accrue daily based on the net asset value of that Class on each dealing day and shall be payable monthly in arrears. If the assets of the Fund include interests in any unit trust or other collective investment scheme managed by the Manager or its Connected Persons, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the relevant Class' interest in such unit trust or scheme.

Where a Fund invests in any underlying scheme(s) managed by the Manager, the Investment Manager and/or the Sub-Manager or any of their Connected Persons, all initial charges and redemption charges on the underlying scheme(s) shall be waived. The Manager, the Investment Manager and/or the Sub-Manager of a Fund may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company.

The fees of the Investment Manager and the Hong Kong Representative will be borne by the Manager. Where there is a sub-manager and/or an investment adviser for a Fund, the fees of the sub-manager and the investment adviser will be borne by the Investment Manager.

Trustee Fee

The Trustee is entitled to receive a trustee fee of up to 0.2 per cent. per annum of the net asset value of a Fund. The Trustee may only increase the level of its fee (which may not exceed 0.2 per cent. per annum of the net asset value of the Fund) with the agreement of the Manager and by giving to the unitholders of the relevant Fund not less than one month's notice of the increased level of trustee fee. The trustee fee shall accrue daily based on the net asset value of each Fund on each dealing day and shall be payable monthly in arrears.

For details of the current fees and charges of each Fund or Class, please refer to the relevant section of Appendix I, or consult JPMorgan Funds (Asia) Limited in respect of dealings through any other channels from time to time specified by JPMorgan Funds (Asia) Limited.

Fiscal Charges

Under exceptional circumstances, including but not limited to high volatility and/or lack of liquidity in the underlying market, large dealings of units of the Funds might result in potential impact on the interests of existing unitholders. During such times, the prices at which an investor subscribes for or redeems units of the Funds might not accurately reflect the costs that would be incurred by the Funds in order to buy or sell the underlying securities to accommodate such dealing requests. In order to protect interests of all unitholders, in calculating the net asset value per unit, the Manager may make such adjustment to the net asset value per unit by reflecting the amount of the anticipated fiscal charges to account for the impact of the related costs. Such fiscal charges will not exceed 1% of the net asset value per unit of the Funds and will be retained by the Funds.

For Funds with different Classes, such fiscal charges will not exceed 1% of the net asset value per unit of the relevant Class respectively and will be retained by the Funds.

The following Funds set out in Appendix I of Section A, Sections B and C are subject to fiscal charges:

JPMorgan ASEAN Fund
JPMorgan Asia Equity Dividend Fund
JPMorgan Australia Fund
JPMorgan China A-Share Opportunities Fund
JPMorgan China Income Fund
JPMorgan Asian Smaller Companies Fund
JPMorgan Europe High Yield Bond Fund
JPMorgan Europe Strategic Dividend Fund
JPMorgan Global Bond Fund
JPMorgan Global Property Income Fund
JPMorgan India Fund
JPMorgan India Smaller Companies Fund
JPMorgan Indonesia Fund
JPMorgan Japan (Yen) Fund
JPMorgan Korea Fund
JPMorgan Malaysia Fund
JPMorgan Money Fund
JPMorgan Multi Balanced Fund
JPMorgan Multi Income Fund
JPMorgan Pacific Securities Fund
JPMorgan Pacific Technology Fund
JPMorgan Philippine Fund
JPMorgan Thailand Fund

Other Liabilities

In addition to the fees and charges mentioned above, each Fund bears other costs and expenses, including stamp duties, taxes, brokerage, commissions, foreign exchange costs, bank charges and registration fees relating to that Fund and its investments, the costs of obtaining and maintaining a listing for the units on any stock exchange, the fees and expenses of the Auditors, the Registrar, the custodian(s) of that Fund's investments, the costs of preparing its Trust Deed and any supplemental trust deeds, legal and other professional or expert charges, and certain other fees and expenses incurred in the administration of that Fund. The fee paid to the Registrar will vary depending on the number of unitholders in that Fund and the number of transactions which occur, but the range agreed with the Registrar is between 0.015 per cent. and 0.5 per cent. per annum of each Fund's net asset value.

Each Fund is also responsible for the costs of preparing, printing, publishing and distributing all statements, accounts, reports and notices pursuant to the provisions of or otherwise in connection with the Trust Deed (including the expenses of preparing and printing any updates to its Explanatory Memorandum or publishing the net asset value per unit) and, where agreed with the Manager, including the aforesaid costs incurred by any Distributors appointed in respect of the relevant Fund. Additionally, each Fund bears all costs incurred as a result of a change in law or regulatory requirement or the introduction of any new law or regulatory requirement (including any costs incurred as a result of compliance with any code relating to unit trusts or collective investment schemes, whether or not having the force of law).

The cost of establishing each Fund which has not been fully amortised as at the date of these Explanatory Memoranda is shown in the relevant section of Appendix I. The cost of establishing each Fund will be borne by each particular Fund and amortised by no later than the third financial year end of that Fund (for the avoidance of doubt, if any Fund were to terminate for whatever reason before its third financial year end, any such cost remaining unamortised would be written off upon that Fund's termination).

The liability of the unitholders is limited to their investments in the relevant Fund.

CONFLICTS OF INTEREST

The Manager, the Investment Manager and/or the Sub-Manager may provide services to, or effect transactions with or for, the Funds which may involve an actual or potential conflict of interest with their duties to the Funds. The Manager, the Investment Manager and/or the Sub-Manager will, however, have regard in such event to their obligations to act in the best interests of unitholders when such conflicts of interest arise and will seek to resolve such conflicts fairly.

The Manager, the Investment Manager, the Sub-Manager and other affiliates of the Manager ("JPMorgan Affiliates") have adopted policies and procedures reasonably designed to appropriately prevent, limit or mitigate conflicts of interest. In addition, these policies and procedures are designed to comply with applicable law where the activities that give rise to conflicts of interest are limited and/or prohibited by law, unless an exception is available.

The Manager, the Investment Manager and/or the Sub-Manager and any of their Connected Persons may provide a variety of different services to a Fund, for which the Fund compensates them, including the execution of portfolio transactions for or with that particular Fund (either as agent or, with the approval of the Trustee, as principal). As a result, the Manager, the Investment Manager and/or the Sub-Manager and any of their Connected Persons have an incentive to enter into arrangements with a Fund, and face conflicts of interest when balancing that incentive against the best interests of the unitholders of the relevant Fund. Such persons may receive and retain their normal commissions, charges, fees or other benefits provided they are arm's length commercial rates for transactions or services of a similar size and nature.

The Manager, the Investment Manager and/or the Sub-Manager and any of their Connected Persons may enter into soft commission arrangements with brokers under which certain goods and services are received, provided such goods and services are of demonstrable benefit to unitholders. Cash payment will not be made for these services but instead those persons may transact an agreed amount of business with the brokers on behalf of the relevant Fund. Commission will be paid by the relevant Fund for these transactions, provided that (i) execution of the transactions are consistent with best execution standards and the relevant brokerage rates are not in excess of customary institutional full-service brokerage rates, (ii) periodic disclosure is made in the annual financial report of the Funds in the form of a statement describing the soft dollar policies and practices of the Manager, the Investment Manager and/or the Sub-Manager, including a description of goods and services received by them and (iii) the availability of soft dollar arrangements is not the sole or primary purpose to perform or arrange transaction with such broker.

No cash, commission or other rebates from brokers, dealers or market makers may be retained by the Manager, the Investment Manager and/or the Sub-Manager or any of their Connected Persons in consideration of directing transactions on behalf of a Fund to such brokers, dealers or market makers. Further, the Manager, the Investment Manager and/or the Sub-Manager may not obtain a rebate on any fees or charges levied by an underlying collective investment scheme or its management company.

In addition, the Manager, together with JPMorgan Affiliates to which it delegates responsibility for investment management, also face conflicts of interest in their service as investment manager to other funds or clients, and, from time to time, make investment decisions that differ from and/or negatively impact those made by the Manager or its delegates on behalf of the Funds.

JPMorgan Affiliates provide a broad range of services and products to their clients and are major participants in the global currency, equity, commodity, fixed-income and other markets in which a Fund invests or will invest. In certain circumstances by providing services and products to their clients, JPMorgan Affiliates' activities may disadvantage or restrict the Funds and/or benefit these JPMorgan Affiliates.

Potential conflicts of interest may also arise as a consequence of an affiliated group company of the Manager (which is part of JPMorgan Affiliates) providing administrative services to the Funds. For example, potential conflicts of interest may arise where an appointed service provider is an affiliated group company of the Manager and is providing a product or service to the Funds and has a financial or business interest in such product or service or where an appointed service provider is an affiliated group company of the Manager which receives remuneration for other related products or services it provides to the Funds, such as foreign exchange, securities lending, pricing or valuation services. In the event of any potential conflict of interest which may arise during the normal course of business, the Manager will at all times have regard to its obligations under applicable laws including those to act honestly, fairly, professionally and independently and solely in the interests of the unitholders of the Funds, and

will also manage, monitor and disclose any conflicts of interest to prevent negative effects on the interests of the Funds and its unitholders.

Where a conflict cannot be avoided, the Manager will endeavour to manage and resolve the conflict fairly by appropriate safeguards and measures and ensure investors' interests are sufficiently protected. The Manager has adopted policies and procedures throughout its businesses to identify and manage actual, potential and perceived conflicts of interest which are subject to ongoing monitoring and review. Ongoing risk-based and targeted training for employees are conducted as part of its effort to identify and manage actual, potential and perceived conflicts of interest. Physical and electronic information barriers are established to help prevent the exchange or misuse of material, non-public information and mitigate existing and potential conflicts of interests.

If the Manager and its delegates acquire material non-public information regarding an issuer, they will be restricted from purchasing or selling securities of that issuer for their clients until the information has been publicly disclosed or is no longer deemed material, thereby negatively affecting a Fund's ability to transact in securities affected by such information.

Further information about conflicts of interest is available on the website am.jpmorgan.com/hk[#].

CROSS-TRADE

Cross-trades between the Funds and/or other funds managed by the Manager or JPMorgan Affiliates may be undertaken where the Manager considers that, as part of its portfolio management, cross-trades between such Funds or funds would be in the best interests of the unitholders to achieve the investment objective and policy of the relevant Fund. By conducting cross-trades, the Manager may achieve trading efficiencies and savings for the benefit of the unitholders.

In conducting transactions, the Manager will ensure that the trades are executed on arm's length terms at current market value and the reason for such trades shall be documented prior to execution, in accordance with the SFC's Fund Manager Code of Conduct.

TAXATION

The tax notes that are set out in Section D apply to the Funds in Appendix I (as the case may be) and are based on the law and practice currently in force as at the date of these Explanatory Memoranda and are subject to changes in content and interpretation. They are intended as a general guide only and do not necessarily describe the tax consequences for all types of investors in the Funds and no reliance, therefore, should be placed upon them. Individual investors who intend to subscribe, hold or dispose of units in the Funds should seek their own tax advice on their tax position with regard to their investment in the Funds.

REPORTS AND ACCOUNTS

The financial year end of each Fund is 30 September in each year. Annual financial reports (including the Trustee's report) and interim financial reports will be made available to unitholders of each Fund as soon as practicable through the website am.jpmorgan.com/hk[#] and in any event not more than four months after the end of each financial year and within two months after 31 March respectively. The Manager, with the prior consent of the Trustee, may determine that annual financial report or interim financial report in respect of the Fund will not be prepared or made available to unitholders during the first accounting period provided that such period is less than twelve calendar months. When the annual financial report and interim financial report are finalised, unitholders will be notified with details of where they can access them. The annual financial report and interim financial report will be published in English only and hard copies will be available free of charge upon request at the offices of JPMorgan Funds (Asia) Limited.

The annual financial report will be in such form and will be prepared in accordance with internationally recognised accounting standards, although such accounting standards may, for financial reporting purposes, adopt different methodologies or principles for calculating the net asset value of the relevant Fund and/or in respect of other aspects as compared to those set out in the relevant Trust Deed. Currently, it is intended that the annual financial report will be prepared in accordance with accounting principles generally accepted in Hong Kong. Each Fund will be dealt at the net asset value per unit calculated in accordance with the provisions of the relevant Trust Deed which may not necessarily be calculated in accordance with the accounting principles generally accepted in Hong Kong.

The terms under the engagement letter of the Auditors may vary from one Fund to another and from year to year. In general, however, in the absence of fraud, the Auditor's liability to the Manager and Trustee in relation to their services under the engagement letter is normally capped to a certain amount, expressed as a multiple of the fees paid to the Auditors. The Auditors also generally exclude their liabilities for consequential, indirect, lost profit or similar damages.

[#] The website has not been reviewed by the SFC.

GENERAL

Price Information

The net asset value per unit of a Fund or a Class of the Fund is normally published on every dealing day on the website am.jpmorgan.com/hk[#].

Trust Deeds

Unitholders are advised to review the terms of the relevant Trust Deed.

Copies of the Trust Deed and Base Terms for each of the Funds may be obtained at a cost of HK$80.00, or may be inspected free of charge, during normal working hours at the offices of JPMorgan Funds (Asia) Limited.

The Trustee and the Manager may agree to modify any Trust Deeds by supplemental deeds, provided that in the opinion of the Trustee such modification (i) does not materially prejudice the interests of unitholders, does not operate to release to any material extent the Trustee, the Manager or any other person from any liability or responsibility under the relevant Trust Deed and (except for any fees and expenses incurred in relation to the preparation of the relevant supplemental deed) will not result in an increase in the amount of costs and charges payable out of the relevant Fund's assets; (ii) is necessary in order to comply with any fiscal, statutory, regulatory or official requirement; or (iii) is made to correct a manifest error, or such modification has been approved by the SFC. In all other cases modifications involving material changes, the sanction of an Extraordinary Resolution (as defined in the relevant Trust Deed) is required.

Documents Available for Inspection

Copies of the following documents with respect to each Fund are available for inspection free of charge during normal working hours at the offices of JPMorgan Funds (Asia) Limited:-

(i) Trust Deed and Base Terms.

(ii) Hong Kong Representative Agreement (for JPMorgan India Fund only).

(iii) Investment Management Agreement.

(iv) Investment Management Delegation Agreement (if applicable).

(v) The latest set annual financial report.

Laws of Mauritius

The Funds that are established in Mauritius were constituted under the laws of Mauritius and each of them holds a Category 1 Global Business Licence for the purpose of the Mauritius Financial Services Act 2007. These Funds are regulated by the Mauritius FSC.

Joint Holders

Not more than four persons may be registered as the joint holders of any unit. The Trustee and the Manager may require any redemption request or other instruction in relation to any joint holding to be signed by all the registered joint holders or may rely on any redemption request or other instruction signed by or otherwise received from any one of the registered joint holders.

Certificates

Certificates will not be issued to unitholders.

Transfers of Units and Transmission of Units

Units in each Fund are transferable by instrument in writing executed by or on behalf of the transferor, except that no transfer will be registered without the approval of the Manager which would result in either the transferor or the transferee holding units having an aggregate value of less than the relevant minimum lump sum investment of the relevant Fund/Class on the dealing day on which the transaction is to be registered. Instruments of transfer should be sent to the Manager. The transferee must follow the usual procedures for application.

The Trust Deed contains provisions relating to the transmission of units. The law of Mauritius does not require any grant of probate, or equivalent, to be re-sealed by the courts of Mauritius. Any costs incurred upon the transmission of units and in relation to the

[#] The website has not been reviewed by the SFC.

grant of probate, or equivalent and the re-sealing by the courts will be borne by the unitholder. Any person who becomes entitled to a unit as a consequence of the death or bankruptcy of any of the unitholders shall be responsible for producing such documents or satisfactory evidence as to that person's title at the request of the Trustee and the Manager. The Manager's only obligation in these circumstances will be to forward any information received in writing from or on behalf of the unitholder to the Trustee.

Cancellation of Units

The Manager has the right to effect reductions of a Fund by requiring the Trustee to cancel units and by paying to the affected unitholders the monies which would have been payable if the units had been redeemed in the normal manner. The type of situations in which it is envisaged that the Manager might exercise its right of cancellation include where the full subscription monies are not received within a reasonable time or where it becomes unlawful to permit a unitholder to continue to be registered.

Notices and Meetings of Unitholders

The Trust Deeds provide for meetings of unitholders to be convened by the Trustee or the Manager by giving at least 21 clear days' notice. The Manager is obliged to convene a meeting if requested by the holders of not less than one-tenth of the units in issue. Notices of meetings of unitholders will be posted to unitholders at their registered addresses.

The quorum for unitholders' meetings dealing with ordinary business is unitholders present in person or by proxy, holding in aggregate at least one-tenth of the units for the time being in issue. If a meeting is convened at which an Extraordinary Resolution (as defined in the relevant Trust Deed) is to be proposed, the quorum is unitholders present in person or by proxy holding at least one-quarter of the units for the time being in issue. If a quorum is not present, the meeting will be adjourned for not less than 15 clear days. Separate notice of any adjourned meeting will be given, and at an adjourned meeting a unitholder (regardless of the number of units held) will form a quorum. At any meeting, a poll will be demanded and every unitholder of the relevant Fund present in person or by proxy, shall have one vote for every unit held. An Extraordinary Resolution (as defined in the relevant Trust Deed) is a resolution proposed as such and passed by a 75 per cent. majority of the votes cast for and against such resolution.

Duration of the Funds

Unless previously terminated or unless otherwise stated in the relevant section of Appendix I, each Fund will terminate automatically on the date immediately preceding the eightieth anniversary of the date of the relevant Trust Deed. Either the Manager or the Trustee may, in certain circumstances, terminate a Fund at any time. Such circumstances include (but not limited to) the passing of any law which renders it illegal to continue that Fund or, in the opinion of the Manager, impracticable or inadvisable to continue that Fund, or where the aggregate net asset value of all units in issue of that Fund falls below US$10,000,000 or its equivalent in another currency, or where the Manager (with the approval of the Trustee) considers termination of that Fund is in the best interest of unitholders. Each Fund may also be terminated by Extraordinary Resolution (as defined in the relevant Trust Deed) of the unitholders at any time.

Any unclaimed proceeds or other cash held by the Trustee upon termination of a Fund may at the expiration of twelve months from the date upon which the same were payable be paid into a court of competent jurisdiction subject to the right of the Trustee to deduct therefrom any expenses it may incur in making such payment.

Indemnification, Retirement and Removal of the Trustee and the Manager

The Trust Deeds contain provisions governing the responsibilities of the Trustee and the Manager and providing for their indemnification in certain circumstances. Subject as provided in the relevant Trust Deed, each of HTHK and BEAT is entitled to be indemnified from the assets of the relevant Fund from and against any and all actions, proceedings, liabilities, costs, claims, damages, expenses, including all reasonable legal, professional and other similar expenses. Similarly, subject as provided in the relevant Trust Deed, the Manager is entitled to be indemnified from the assets of the relevant Fund from and against any and all actions, proceedings, liabilities, costs, claims, damages, expenses, including all reasonable legal, professional and other similar expenses. Notwithstanding the foregoing, the Trustees and the Manager shall not be exempted from any liability to unitholders imposed under Hong Kong law or breaches of trust through fraud or negligence, nor may they be indemnified against such liability by unitholders or at unitholders' expense. Unitholders and intending applicants are advised to consult the terms of the relevant Trust Deed for further details.

The Trustee or the Manager may retire upon the appointment of a successor in accordance with the provisions of the Trust Deeds. The Manager may remove the Trustee at any time by giving notice and appointing as a replacement another qualified trust corporation. In addition, the Manager may be removed in certain circumstances by the Trustee or at any time by the holders of not less than 50 per cent. in value of the units of a Fund for the time being in issue.

Subject to the provisions in the Trust Deeds, neither the Trustee nor the Manager shall incur any liability for the consequence of any agent, service provider or other person to whom either of them has delegated any of its rights, powers, duties and discretions, or (in the case of the Trustee) any act or omission on the part of the Manager or (in the case of the Manager) any act or omission on the part of the Trustee.

Any change of the Trustee or the Manager of a Fund will be notified to unitholders of such Fund.

Complaints and Enquiries Handling

Investors may contact JPMorgan Funds (Asia) Limited for any queries or complaints in relation to a Fund. To contact JPMorgan Funds (Asia) Limited, investors may either:

- Write to the registered office of JPMorgan Funds (Asia) Limited (address at 21st Floor, Chater House, 8 Connaught Road Central, Hong Kong);
- Call J.P. Morgan Funds InvestorLine on (852) 2265 1188; or
- Call Intermediary Clients' Hotline on (852) 2265 1000.

JPMorgan Funds (Asia) Limited will, under normal circumstances, endeavour to send an acknowledgement of receipt of the enquiries and complaints to the relevant investor within five business days of receipt.

Liquidity Risk Management

The following applies to all Funds set out in Appendix I of Section A, Sections B and C of the Consolidated Explanatory Memoranda.

The Manager has established a liquidity risk management policy which enables it to identify, monitor and manage the liquidity risks of the Funds and at all times exercise due care, skill and diligence in managing the liquidity of the Funds under its management in order to ensure investors are treated fairly and the Funds' dealing arrangements are appropriate for their respective investment strategies and underlying assets throughout the entire product life cycle.

An overarching framework for liquidity risk management and a liquidity risk management process that is independent from the day-to-day portfolio investment team are set up to monitor the implementation of liquidity risk management policies and procedures on a day-to-day basis. Various committees are also set up to provide oversight on exceptional situations and activation of liquidity risk management tools and measures where applicable and in consultation with the Trustee. Significant liquidity risk events and issues will be further escalated to local or global committees/forums and boards. Various liquidity risk management tools are identified that can be tailored and applied to specific requirements of individual funds or strategies. These tools, including but not limited to fair valuation, fiscal charge and suspension of redemption, are designed to reduce the impact of liquidity risk but their existence may not be able to fully eliminate liquidity risk for investors.

The Manager conducts ongoing liquidity risk monitoring and stress testing to assess the liquidity profile of the Funds' assets and liabilities and the adequacy of liquidity risk management tools. Fund holdings will be classified under different liquidity buckets taking into account both individual security liquidity characteristics and higher level asset class market depth constraints. The Manager will assess the asset and liability side liquidity under both normal and stressed market scenarios and closely monitor concentration of client holdings.

For further details of the liquidity risk management tools relating to the Funds, i.e. fair valuation, fiscal charge and suspension of redemption, please refer to the section entitled "BASES OF VALUATIONS" in the respective section of these Consolidated Explanatory Memoranda, the section entitled "FEES, CHARGES AND LIABILITIES – Fiscal Charges" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds and the sections entitled "REDEMPTIONS – Suspension of Redemptions" and "REDEMPTIONS – Procedure for Redemption and Suspension of Redemptions" in the respective section of these Consolidated Explanatory Memoranda.

MANAGEMENT AND ADMINISTRATION DIRECTORY

Manager

For all Funds except JPMorgan India Fund:

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

For JPMorgan India Fund:

JF India Management Limited
Palm Grove House,
PO Box 438
Road Town, Tortola
British Virgin Islands

Directors of JPMorgan Funds (Asia) Limited

Chan, Tsun Kay, Edwin
Ebrahim, Ayaz
Leung, Kit Yee, Elka
Roberts, Ioan William
Watkins, Daniel James

Directors of JF India Management Limited

Creber, Andrew
Sullivan, Daniel A

Investment Manager

JPMorgan Asset Management (Asia Pacific) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Trustee

For all Hong Kong domiciled Funds:

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

OR

Bank of East Asia (Trustees) Limited
32/F, BEA Tower
Millennium City 5
418 Kwun Tong Road
Kwun Tong
Kowloon
Hong Kong

For all Mauritius domiciled Funds:

HSBC Institutional Trust Services (Mauritius) Limited
HSBC Centre
Eighteen
Cybercity Ebene
Republic of Mauritius

Registrar

For all Hong Kong domiciled Funds:

HSBC Trustee (Cayman) Limited
PO Box 484
HSBC House
68 West Bay Road
Grand Cayman KY1-1106
Cayman Islands

OR

East Asia International Trustees Limited
East Asia Chambers
PO Box 901
Road Town
Tortola
British Virgin Islands

For all Mauritius domiciled Funds:

HSBC Institutional Trust Services (Mauritius) Limited
HSBC Centre
Eighteen
Cybercity Ebene
Republic of Mauritius

Sub-Managers

JPMorgan Asset Management (Japan) Limited
Tokyo Building
7-3, Marunouchi 2-chome
Chiyoda-ku, Tokyo
100-6432, Japan

JPMorgan Asset Management (Singapore) Limited
168 Robinson Road
17th Floor, Capital Tower
Singapore 068912

JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London
EC4Y 0JP
United Kingdom

Investment Adviser

JPMorgan Asset Management (Korea) Company Limited
35, Seosomun-ro 11-gil,
Jung-gu, Seoul 110-120
Korea

Hong Kong Representative

For JPMorgan India Fund only:

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Auditors

For all Hong Kong domiciled Funds:

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
1 Des Voeux Road Central
Hong Kong

For all Mauritius domiciled Funds:

PricewaterhouseCoopers
Eighteen
Cybercity Ebene
Republic of Mauritius

Service Provider

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Additional information is available from: -

JPMorgan Funds (Asia) Limited
GPO Box 11448
Hong Kong

Telephone: (852) 2265 1188
Facsimile: (852) 2868 5013

APPENDIX I – FUND DETAILS OF ASIA PACIFIC EQUITY FUNDS

The information contained in this Appendix I should be read in conjunction with the main part of the Consolidated Explanatory Memoranda of which this forms an integral part.

JPMorgan ASEAN Fund

1. Currency of Denomination

US dollars.

2. Governing Law and Date of Trust Deed

Hong Kong, 7 July 1983.

3. Investment Objective and Policies

The investment policy of the Fund is to enable investors to participate in a managed portfolio consisting primarily (i.e. at least 70% of its total net asset value) of equity securities with significant assets in, or significant earnings derived from one or more of the countries comprising the Association of South East Asian Nations. The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Manager will aim to achieve capital growth in US dollar terms.

The Fund's aggregate exposure (direct and indirect) to China A-Shares and B-Shares may not exceed 10% of its total net asset value and should this investment policy in China A-Shares and/or B-Shares change in the future, one month's prior notice will be given to unitholders and the offering document will be updated accordingly.

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.

The Fund may also invest in derivatives such as options, warrants and futures for investment purposes.

The Fund will have limited Renminbi (RMB) denominated underlying investments.

4. Additional Investment Restrictions and Guidelines

The value of this Fund's holding of securities of companies which are based in or operate principally in the Association of South East Asian Nations shall not be less than 70% of its total net asset value in securities and other investments.

5. Classes of Units

Currently, the following Classes are available:

Class	Class Currency
JPMorgan ASEAN (acc) - AUD (hedged)	Australian dollars
JPMorgan ASEAN (acc) - CAD (hedged)	Canadian dollars
JPMorgan ASEAN (acc) - EUR (hedged)	Euro
JPMorgan ASEAN (acc) - GBP (hedged)	Sterling
JPMorgan ASEAN (acc) - HKD	HK dollars
JPMorgan ASEAN (acc) - NZD (hedged)	New Zealand dollars
JPMorgan ASEAN (acc) - RMB (hedged)	Renminbi
JPMorgan ASEAN (acc) - SGD (hedged)	Singapore dollars
JPMorgan ASEAN (acc) - USD	US dollars
JPMorgan ASEAN - Class C (acc) - USD	US dollars

6. Cost of Establishment

There are no unamortised establishment costs outstanding relating to this Fund.

7. Sub-Manager

JPMorgan Asset Management (Singapore) Limited, a company incorporated in Singapore.

JPMorgan Asset Management (UK) Limited, a company incorporated in England and Wales, is responsible for the currency management of the Currency Hedged Classes.

8. Trustee and Registrar of the Fund

Bank of East Asia (Trustees) Limited is the Trustee of the Fund and East Asia International Trustees Limited is the Registrar of the Fund.

9. Fees and Expenses

Initial Charge	Redemption Charge	Management Fee	Trustee Fee
Normally up to 5.0% of the net asset value per unit of the relevant Class	Currently 0% (normally up to 0.5% of the net asset value per unit of the relevant Class)	For Classes other than Class C: 1.5% per annum of the net asset value of the relevant Class For Class C: 0.75% per annum of the net asset value of the relevant Class	0.018% per annum of the net asset value of the Fund

10. Initial Issue Price

The first issue of units of the existing Classes were made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan ASEAN (acc) - AUD (hedged)	AU$10.00
JPMorgan ASEAN (acc) - HKD	HK$10.00
JPMorgan ASEAN (acc) - RMB (hedged)	RMB10.00
JPMorgan ASEAN (acc) - USD	US$10.00

In addition, the first issue of units of the following Classes will be made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan ASEAN (acc) - CAD (hedged)	CA$10.00
JPMorgan ASEAN (acc) - EUR (hedged)	EUR10.00
JPMorgan ASEAN (acc) - GBP (hedged)	GBP10.00
JPMorgan ASEAN (acc) - NZD (hedged)	NZ$10.00
JPMorgan ASEAN (acc) - SGD (hedged)	SG$10.00
JPMorgan ASEAN - Class C (acc) - USD	US$10.00

JPMorgan Asia Equity Dividend Fund

1. Currency of Denomination

US dollars.

2. Governing Law and Date of Trust Deed

Hong Kong, 6 May 2011.

3. Investment Objective and Policies

The investment policy of the Fund is to aim to provide income and long term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in equity securities of companies in the Asia Pacific region (excluding Japan) that the Investment Manager expects to pay dividends.

The Fund's holding of these equity securities will be selected based on historical records and company announcements on dividends, in addition to their potential for long term capital appreciation.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund may invest less than 30% of its total net asset value in Real Estate Investment Trusts ("REITs") domiciled or investing in the Asia Pacific region (excluding Japan).

The Fund's aggregate exposure (direct and indirect) to China A-Shares and B-Shares may not exceed 10% of its total net asset value and should this investment policy in China A-Shares and/or B-Shares change in the future, one month's prior notice will be given to unitholders and the offering document will be updated accordingly.

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.

The Fund may also invest in derivatives as permitted by the SFC from time to time such as options, warrants and futures for investment purposes.

The Fund will have limited Renminbi (RMB) denominated underlying investments.

4. Additional Investment Restrictions and Guidelines

The value of the Fund's holding of equity securities of companies which are based in, listed on stock exchange of or operate principally in the Asia Pacific region (excluding Japan) and are expected to pay dividends shall not be less than 70% of its total net asset value in securities and other investments. The Fund will not invest more than 10% of its total net asset value in securities issued by or guaranteed by any single sovereign (including its government, public or local authority) with a credit rating below investment grade.

Notwithstanding the investment restrictions and guidelines set out in the sub-section entitled "Investment Restrictions and Guidelines" in the section entitled "INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS", the Fund may not sell short any securities.

5. Additional Risk Factors

Distribution risk – Except for the Classes with the suffix "(acc)" which are accumulation Classes and will not normally pay distributions, the Manager intends to distribute at least 85 per cent. of the income (net of expenses) attributable to each Class in respect of each accounting period. However, there is no assurance on such distribution or the distribution rate or dividend yield.

REITs risk – The Fund may invest in REITs which invest primarily in real estate and this may involve a higher level of risk as compared to a diversified fund and other securities. Real estate investments are relatively illiquid and may affect the ability of a REIT to vary its investment portfolio or liquidate part of its assets in response to changes in economic conditions, international securities markets, foreign exchange rates, interest rates, real estate market or other condition. REITs may have limited financial resources, may trade less frequently and in a limited volume and may be subject to more abrupt or erratic price movements than other securities.

REITs are dependent upon management skills, are not diversified, are subject to heavy cash flow dependency, default on borrowings and self-liquidation. REITs are also subject to the possibility of failing to qualify for tax-free pass-through of income, as in some jurisdictions special tax rules may apply to impose tax on the REITs or withhold tax on income derived from REITs and the Fund will not obtain a credit for any tax paid by the REITs or tax on payments out of the REITs.

REITs are also subject to interest rate risks. When interest rates decline, the value of a REIT's investment in fixed rate obligations can be expected to rise. Conversely, when interest rates rise, the value of a REIT's investment in fixed rate obligations can be expected to decline. For adjustable rate mortgage loans, interest rates are reset periodically to reflect changes in market interest rates. Therefore, yields on a REIT's investments in such loans will gradually align themselves to reflect changes in market, causing the value of such investments to fluctuate less dramatically in response to interest rate fluctuations than would investments in fixed rate obligations. However, income generated from adjustable rate mortgage loans may be more volatile in response to interest rate fluctuations than would fixed rate obligations. Consequently, the value of a REIT held by the Fund may increase or decrease which in turn, affects the value of the Fund.

The underlying REITs which the Fund may invest in may not necessarily be authorised by the SFC and their dividend or payout policies are not representative of the dividend policy of the Fund.

Dividend-paying equity risk – There can be no guarantee that the companies that the Fund invests in and which have historically paid dividends will continue to pay dividends or to pay dividends at the current rates in the future. The reduction or discontinuation of dividend payments may have a negative impact on the value of the Fund's holdings and consequently, the Fund may be adversely impacted.

Payment of distributions out of capital risk – Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realised and unrealised capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment. As a result, the capital that the Fund has available for investment in the future and capital growth may be reduced. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value of units. Also, a high distribution yield does not imply a positive or high return on the total investment.

The distribution amount and net asset value of the Currency Hedged Class may be adversely affected by differences in the interest rates of the denominated currency of the Currency Hedged Class and the base currency of the Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-Currency Hedged Classes.

6. Classes of Units

Currently, the following Classes are available:

Class	Class Currency
JPMorgan Asia Equity Dividend (acc) - HKD	HK dollars
JPMorgan Asia Equity Dividend (acc) - RMB (hedged)	Renminbi
JPMorgan Asia Equity Dividend (acc) - USD	US dollars
JPMorgan Asia Equity Dividend (mth) - AUD (hedged)	Australian dollars
JPMorgan Asia Equity Dividend (mth) - CAD (hedged)	Canadian dollars
JPMorgan Asia Equity Dividend (mth) - EUR (hedged)	Euro
JPMorgan Asia Equity Dividend (mth) - GBP (hedged)	Sterling
JPMorgan Asia Equity Dividend (mth) - HKD	HK dollars
JPMorgan Asia Equity Dividend (mth) - NZD (hedged)	New Zealand dollars
JPMorgan Asia Equity Dividend (mth) - RMB (hedged)	Renminbi
JPMorgan Asia Equity Dividend (mth) - SGD (hedged)	Singapore dollars
JPMorgan Asia Equity Dividend (mth) - USD	US dollars
JPMorgan Asia Equity Dividend - Class C (acc) - USD	US dollars
JPMorgan Asia Equity Dividend - Class C (mth) - USD	US dollars

7. Cost of Establishment

There are no unamortised establishment costs outstanding relating to this Fund.

8. Sub-Manager

JPMorgan Asset Management (UK) Limited, a company incorporated in England and Wales, is responsible for the currency management of the Currency Hedged Classes (other than the classes with the suffix "(PRC)"). For the Currency Hedged Classes with the suffix "(PRC)", the Investment Manager is responsible for the day-to-day investment management and currency management decision without any further delegation.

9. Trustee and Registrar of the Fund

HSBC Institutional Trust Services (Asia) Limited is the Trustee of the Fund and HSBC Trustee (Cayman) Limited is the Registrar of the Fund.

10. Fees and Expenses

Initial Charge	Redemption Charge	Management Fee	Trustee Fee	
Normally up to 5.0% of the net asset value per unit of the relevant Class	Currently 0% (normally up to 0.5% of the net asset value per unit of the relevant Class)	For Classes other than Class C: 1.5% per annum of the net asset value of the relevant Class For Class C: 0.75% per annum of the net asset value of the relevant Class		Rate (per annum)
			On the first US$40,000,000	0.06% of the net asset value of the Fund
			On the next US$30,000,000	0.04% of the net asset value of the Fund
			On the balance over US$70,000,000	0.025% of the net asset value of the Fund

11. Initial Issue Price

The first issue of units of the existing Classes were made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Asia Equity Dividend (acc) - HKD	HK$10.00
JPMorgan Asia Equity Dividend (acc) - RMB (hedged)	RMB10.00
JPMorgan Asia Equity Dividend (acc) - USD	US$10.00
JPMorgan Asia Equity Dividend (mth) - AUD (hedged)	AU$10.00
JPMorgan Asia Equity Dividend (mth) - CAD (hedged)	CA$10.00
JPMorgan Asia Equity Dividend (mth) - EUR (hedged)	EUR10.00
JPMorgan Asia Equity Dividend (mth) - GBP (hedged)	GBP10.00
JPMorgan Asia Equity Dividend (mth) - HKD	HK$10.00
JPMorgan Asia Equity Dividend (mth) - NZD (hedged)	NZ$10.00
JPMorgan Asia Equity Dividend (mth) - RMB (hedged)	RMB10.00
JPMorgan Asia Equity Dividend (mth) - SGD (hedged)	SG$10.00
JPMorgan Asia Equity Dividend (mth) - USD	US$10.00
JPMorgan Asia Equity Dividend - Class C (mth) - USD	US$10.00

In addition, the first issue of units of the following Class will be made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Asia Equity Dividend - Class C (acc) - USD	US$10.00

12. Distribution Policy

The section entitled "DISTRIBUTION POLICY" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall not apply to this fund.

The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval and one month's prior notice to the relevant unitholders.

Classes with the suffix "(acc)"

Classes with the suffix "(acc)" are accumulation Classes and will not normally pay distributions. All income will be accumulated and reinvested within the corresponding Classes of the Fund.

Other Classes

It is the intention of the Manager to have at least 85 per cent. of the income attributable to the following Classes respectively in respect of each accounting period, after charging the expenses attributable to these Classes respectively, to be distributed to unitholders of these Classes respectively:

Class
JPMorgan Asia Equity Dividend (mth) - AUD (hedged)
JPMorgan Asia Equity Dividend (mth) - CAD (hedged)
JPMorgan Asia Equity Dividend (mth) - EUR (hedged)
JPMorgan Asia Equity Dividend (mth) - GBP (hedged)
JPMorgan Asia Equity Dividend (mth) - HKD
JPMorgan Asia Equity Dividend (mth) - NZD (hedged)
JPMorgan Asia Equity Dividend (mth) - RMB (hedged)
JPMorgan Asia Equity Dividend (mth) - SGD (hedged)
JPMorgan Asia Equity Dividend (mth) - USD
JPMorgan Asia Equity Dividend - Class C (mth) - USD

It is the intention of the Manager to make distributions on a monthly basis or/and such other time as the Manager may, with the prior approval of the Trustee, provide one month's prior notice to unitholders. The Manager expects to be able to pay distributions from its income generated by the Fund from its investment, but in the event that such income is insufficient to pay distributions as it declares, the Manager may in its discretion determine that such distributions may be paid from capital. Please also refer to the risk factor entitled "Payment of distributions out of capital risk".

Composition of the latest distributions, i.e. the percentages of distribution being made out of the income and capital, for the last 12 months will be available from the Manager upon request and at the website am.jpmorgan.com/hk[#].

The transferee of a unit will be entitled to a distribution in respect of such unit if the Registrar has received a valid instrument of transfer (duly stamped if required) in respect of the unit by 3:30 p.m. (Hong Kong time) on the last cum distribution dealing date. The subscriber of a unit shall be entitled to a distribution in respect of such unit if the application for the unit is received by the Manager by 5:00 p.m. (Hong Kong time) on the last cum distribution dealing date.

Reinvestment of Distributions

It is the Manager's current policy to reinvest automatically any distributions in the subscription of further units of the corresponding Class of units of the Fund, unless unitholders notify the Manager otherwise in writing and the amount of the relevant distribution equals to or exceeds US$250 (or its equivalent in another currency). Such further units will be issued on the date of distribution, or if that is not a dealing day, on the next following dealing day. No initial charge will be made on the issue of such further units. In the event that a unitholder redeems or switches its entire holding of the relevant Class before the actual payment date of any distributions, the Manager will redeem the reinvested units on the actual payment date and pay the redemption proceeds to the unitholder in cash if the reinvested units do not meet the relevant minimum holding requirement.

Payment of Distributions by cheque

For unitholders who have notified the Manager in writing to receive payment of distributions instead of having the distributions reinvested automatically in the subscription of further units (except for unitholders of the RMB denominated Class), payment will be made by cheque in the offering currency of the relevant Class and sent, at the risk of the persons entitled thereto, to such persons at the address (or first address in the case of any joint holding) shown in the register of unitholders or as they may direct. Any distribution which is not claimed for six years will be forfeited and becomes part of the assets of the relevant Class (and in case such relevant Class has been terminated, the Fund).

[#] The website has not been reviewed by the SFC.

Payment of Distributions by telegraphic transfer

For unitholders of the RMB denominated Class who have notified the Manager in writing to receive payment of distributions instead of having the distributions reinvested automatically in the subscription of further units, payment will normally be made by telegraphic transfer, unless otherwise agreed by the Manager. Unitholders may be liable for any bank charges on payment by telegraphic transfer. Notwithstanding the aforesaid, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, the Manager may pay distributions in USD.

13. Offering to PRC investors

The Fund has received approval from the China Securities Regulatory Commission for offering to PRC investors and classes with the suffix "(PRC)" are available to PRC investors.

JPMorgan Australia Fund

1. Currency of Denomination

US dollars.

2. Governing Law and Date of Trust Deed

Hong Kong, 5 June 1981.

3. Investment Objective and Policies

The investment policy of the Fund is to provide investors with long term capital growth by investing primarily (i.e. at least 70% of its total net asset value) of equity securities of companies listed on the Australian Securities Exchange.

The Manager aims at diversifying risks at the sector and security levels while providing exposure to the following factors that have the potential to enhance risk-adjusted returns over the long term. The Manager will adopt a proprietary quantitative process that uses multiple factors to select the securities to invest:

- Value – Targets equity securities with attractive prices relative to their sector peers based on fundamental characteristics of book yield, earnings yield, dividend yield and cash flow yield.
- Momentum (a tendency that stocks that are rising in price tend to continue to rise, while those that are falling tend to continue to fall) – Targets equity securities with higher momentum that have higher risk-adjusted returns relative to those of their sector peers over a twelve month period. Risk-adjusted returns in this case is calculated from the twelve month returns divided by the twelve month volatility.
- Quality – Targets equity securities with higher quality characteristics relative to their sector peers as measured by profitability, earnings quality and solvency/financial risk.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

4. Additional Investment Restrictions and Guidelines

The value of the Fund's holding of securities of companies or other investments which are based in or operate principally in Australia shall not be less than 70 per cent. of its total net asset value in securities and other investments.

5. Additional Risk Factors

Risks associated with proprietary quantitative process that uses multiple factors to select securities - Securities with positive momentum may be more volatile than the market as a whole, and that the returns on securities that previously have exhibited momentum may be less than returns on other styles of investing. Momentum can turn quickly, and stocks that previously have exhibited high momentum may not experience continued positive momentum. Also, securities that have previously been identified with strong valuation characteristics and/or quality characteristics may not continue to be good values and/or quality companies and that the returns of such securities may be less than returns on other styles of investing. In addition, there may be periods when value investing, momentum style of investing and/or quality style of investing are out of favor and therefore, the performance of the Fund may suffer.

6. Classes of Units

Currently, the following Classes are available:

Class	Class Currency
JPMorgan Australia (acc) - AUD	Australian dollars
JPMorgan Australia (acc) - USD	US dollars

7. Cost of Establishment

There are no unamortised establishment costs outstanding relating to this Fund.

8. Trustee and Registrar of the Fund

HSBC Institutional Trust Services (Asia) Limited is the Trustee of the Fund and HSBC Trustee (Cayman) Limited is the Registrar of the Fund.

9. Fees and Expenses

Initial Charge	Redemption Charge	Management Fee	Trustee Fee	
Normally up to 5.0% of the net asset value per unit of the relevant Class	Currently 0% (normally up to 0.5% of the net asset value per unit of the relevant Class)	0.75% per annum of the net asset value of the relevant Class		Rate (per annum)
			On the first US$40,000,000	0.06% of the net asset value of the Fund
			On the next US$30,000,000	0.04% of the net asset value of the Fund
			On the balance over US$70,000,000	0.025% of the net asset value of the Fund

10. Initial Issue Price

The first issue of units of the existing Classes were made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Australia (acc) - AUD	AU$10.00
JPMorgan Australia (acc) - USD	US$10.00

JPMorgan Asian Smaller Companies Fund

1. Currency of Denomination

US dollars.

2. Governing Law and Date of Trust Deed

Hong Kong, 2 December 1991.

3. Investment Objective and Policies

The investment policy of the Fund is to provide investors with long term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in the equity securities of small to medium sized companies in the Asia-Pacific region, excluding Japan and Australia except the Manager may, from time to time, invest in Japan and Australia when appropriate investment opportunities arise. Equity securities of small to medium sized companies refer to equity securities which are included in MSCI AC Asia ex Japan Small Cap Index at the time of purchase. For avoidance of doubt, the Fund is actively managed and does not intend to track the performance of MSCI AC Asia ex Japan Small Cap Index.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector.

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.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

4. Additional Investment Restrictions and Guidelines

The value of the Fund's holding of securities of small to medium sized companies which are based in or operate principally in the Asia-Pacific region, excluding Japan and Australia shall not be less than 70 per cent. of its total net asset value in securities and other investments.

5. Classes of Units

Currently, the following Class is available:

Class	Class Currency
JPMorgan Asian Smaller Companies (acc) - HKD	HK dollars
JPMorgan Asian Smaller Companies (acc) - USD	US dollars
JPMorgan Asian Smaller Companies - Class C (acc) - USD	US dollars

6. Cost of Establishment

There are no unamortised establishment costs outstanding relating to this Fund.

7. Trustee and Registrar of the Fund

HSBC Institutional Trust Services (Asia) Limited is the Trustee of the Fund and HSBC Trustee (Cayman) Limited is the Registrar of the Fund.

8. Fees and Expenses

Initial Charge	Redemption Charge	Management Fee	Trustee Fee	
Normally up to 5.0% of the net asset value per unit of the relevant Class	Currently 0% (normally up to 0.5% of the net asset value per unit of the relevant Class)	For Classes other than Class C: 1.5% per annum of the net asset value of the relevant Class For Class C: 0.75% per annum of the net asset value of the relevant Class		Rate (per annum)
			On the first US$40,000,000	0.06% of the net asset value of the Fund
			On the next US$30,000,000	0.04% of the net asset value of the Fund
			On the balance over US$70,000,000	0.025% of the net asset value of the Fund

9. Initial Issue Price

The first issue of units of JPMorgan Asian Smaller Companies (acc) - USD was made at a price of US$10.00 per unit, excluding the initial charge.

In addition, the first issue of units of the following Classes will be made at the price below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Asian Smaller Companies (acc) - HKD	HK$10.00
JPMorgan Asian Smaller Companies - Class C (acc) - USD	US$10.00

JPMorgan India Fund

1. Currency of Denomination

US dollars.

2. Governing Law and Date of Trust Deed

Mauritius, 23 November 1989.

3. Investment Objective and Policies

The investment policy of the Fund is to provide long-term capital growth through a portfolio consisting primarily (i.e. at least 70% of its total net asset value) of equity securities linked to the Indian economy. These include, but are not restricted to, securities traded on the stock exchanges of India and the rest of the Indian sub-continent including Pakistan, Bangladesh and Sri Lanka. The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

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.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

4. Additional Investment Restrictions and Guidelines

The value of the Fund's holding of securities of companies linked primarily to the Indian economy shall not be less than 70 per cent. of its total net asset value in securities and other investments.

5. Additional Risk Factors

Regulatory risk – The Fund is a Foreign Institutional Investor ("Indian FII") registered with the Securities and Exchange Board of India ("SEBI") under the SEBI (Foreign Institutional Investors) Regulations, 1995 ("Indian FII Regulations"). Subject to the Indian FII Regulations and the Foreign Exchange Management (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2000 ("Indian FEMA Regulations"), a registered Indian FII may buy and sell equity shares and debentures of Indian companies through stock exchanges in India at the current market price subject to certain individual and collective statutory limits. The Reserve Bank of India ("RBI") acts as the regulatory body to monitor the statutory limits on investments by Indian FIIs in an Indian company. If the total holdings of the Indian FIIs reach such statutory limits, the RBI would require the Indian FII and the relevant Indian company to seek prior approval from the RBI for any purchase, which approval may not be forthcoming. In addition, any change to the Indian FEMA Regulations and the Indian FII Regulations may limit or adversely impact the ability of the Fund to invest in India.

6. Classes of Units

Currently, the following Class is available:

Class	Class Currency
JPMorgan India (acc) - USD	US dollars

7. Cost of Establishment

There are no unamortised establishment costs outstanding relating to this Fund.

8. Duration of the Fund

Unless previously terminated, the Fund will terminate automatically on the date of its ninety ninth anniversary from the date of the Trust Deed. The Fund may also be terminated by the Manager or the Trustee in certain circumstances, by Extraordinary Resolution of the unitholders or when the aggregate net asset value of the Fund falls below US$10,000,000.

9. Fees and Expenses

Initial Charge	Redemption Charge	Management Fee	Trustee Fee	
Normally up to 5.0% of the net asset value per unit of the relevant Class	Currently 0% (normally up to 0.5% of the net asset value per unit of the relevant Class)	1.5% per annum of the net asset value of the relevant Class		Rate (per annum)
			On the first US$40,000,000	0.06% of the net asset value of the Fund
			On the next US$30,000,000	0.04% of the net asset value of the Fund
			On the balance over US$70,000,000	0.025% of the net asset value of the Fund

10. Initial Issue Price

The first issue of units of JPMorgan India (acc) - USD was made at a price of US$10.00 per unit, excluding the initial charge.

JPMorgan Indonesia Fund

1. Currency of Denomination

US dollars.

2. Governing Law and Date of Trust Deed

Hong Kong, 19 September 2006.

3. Investment Objective and Policies

The investment objective of the Fund is to provide investors with long-term capital appreciation through a portfolio consisting primarily (i.e. at least 70% of its total net asset value) of equity securities linked to the Indonesian economy. These include, but are not restricted to, securities traded on the stock exchanges of Indonesia. The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

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.

The Fund may also invest in derivatives such as interest rate forward contracts, currency forward contracts, options, warrants and futures for both investment and hedging purposes.

4. Additional Investment Restrictions and Guidelines

The value of the Fund's holding of securities linked to the Indonesian economy shall not be less than 70 per cent. of its total net asset value in securities and other investments.

5. Classes of Units

Currently, the following Class is available:

Class	Class Currency
JPMorgan Indonesia (acc) - USD	US dollars

6. Cost of Establishment

There are no unamortised establishment costs outstanding relating to this Fund.

7. Sub-Manager

JPMorgan Asset Management (Singapore) Limited, a company incorporated in Singapore.

8. Trustee and Registrar of the Fund

HSBC Institutional Trust Services (Asia) Limited is the Trustee of the Fund and HSBC Trustee (Cayman) Limited is the Registrar of the Fund.

9. Fees and Expenses

Initial Charge	Redemption Charge	Management Fee	Trustee Fee	
Normally up to 5.0% of the net asset value per unit of the relevant Class	Currently 0% (normally up to 0.5% of the net asset value per unit of the relevant Class)	1.5% per annum of the net asset value of the relevant Class		Rate (per annum)
			On the first US$40,000,000	0.06% of the net asset value of the Fund
			On the next US$30,000,000	0.04% of the net asset value of the Fund
			On the balance over US$70,000,000	0.025% of the net asset value of the Fund

10. Initial Issue Price

The first issue of units of JPMorgan Indonesia (acc) - USD was made at a price of US$10.00 per unit, excluding the initial charge.

JPMorgan Japan (Yen) Fund

1. Currency of Denomination

Japanese yen.

2. Governing Law and Date of Trust Deed

Hong Kong, 1 August 1969.

3. Investment Objective and Policies

The investment policy of the Fund is to provide long-term capital growth through investment primarily (i.e. at least 70% of its total net asset value) in Japanese equity securities and other equity securities whose performance is linked to that of the Japanese economy. The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

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.

The Fund may also invest in derivatives such as options, warrants and futures for investment purposes.

The Fund will have limited Renminbi (RMB) denominated underlying investments.

4. Additional Investment Restrictions and Guidelines

The value of the Fund's holding of securities of companies which are based in or operate principally in Japan shall not be less than 70 per cent. of its total net asset value in securities and other investments.

5. Classes of Units

Currently, the following Classes are available:

Class	Class Currency
JPMorgan Japan (Yen) (acc) - JPY	Japanese yen
JPMorgan Japan (Yen) (acc) - HKD (hedged)	HK dollars
JPMorgan Japan (Yen) (acc) - RMB (hedged)	Renminbi
JPMorgan Japan (Yen) (acc) - USD (hedged)	US dollars

6. Cost of Establishment

There are no unamortised establishment costs outstanding relating to this Fund.

7. Sub-Manager

JPMorgan Asset Management (Japan) Limited, a company incorporated in Japan.

JPMorgan Asset Management (UK) Limited, a company incorporated in the England and Wales, is responsible for the currency management of the Currency Hedged Classes.

8. Trustee and Registrar of the Fund

HSBC Institutional Trust Services (Asia) Limited is the Trustee of the Fund and HSBC Trustee (Cayman) Limited is the Registrar of the Fund.

9. Fees and Expenses

Initial Charge	Redemption Charge	Management Fee	Trustee Fee	
Normally up to 5.0% of the net asset value per unit of the relevant Class	Currently 0% (normally up to 0.5% of the net asset value per unit of the relevant Class)	1.5% per annum of the net asset value of the relevant Class		Rate (per annum)
			On the first JPY3,000,000,000	0.06% of the net asset value of the Fund
			On the next JPY2,300,000,000	0.04% of the net asset value of the Fund
			On the balance over JPY5,300,000,000	0.025% of the net asset value of the Fund

10. Initial Issue Price

The first issue of units of JPMorgan Japan (Yen) (acc) - JPY was made at a price of Japanese yen 590 per unit, excluding the initial charge.

In addition, the first issue of units of the following Classes will be made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Japan (Yen) (acc) - HKD (hedged)	HK$10.00
JPMorgan Japan (Yen) (acc) - RMB (hedged)	RMB10.00
JPMorgan Japan (Yen) (acc) - USD (hedged)	US$10.00

JPMorgan Korea Fund

1. Currency of Denomination

US dollars.

2. Governing Law and Date of Trust Deed

Hong Kong, 11 December 1991.

3. Investment Objective and Policies

The investment policy of the Fund is to provide investors with long-term capital appreciation through investment primarily (i.e. at least 70% of its total net asset value) in companies whose shares are listed on the Korea Stock Exchange or traded on the Korean over-the-counter market. The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

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.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

4. Additional Investment Restrictions and Guidelines

The value of the Fund's holding of securities of companies in Korea shall not be less than 70 per cent. of its total net asset value in securities and other investments.

5. Classes of Units

Currently, the following Class is available:

Class	Class Currency
JPMorgan Korea (acc) - USD	US dollars

6. Cost of Establishment

There are no unamortised establishment costs outstanding relating to this Fund.

7. Investment Adviser

JPMorgan Asset Management (Korea) Company Limited, a company incorporated in Korea.

8. Trustee and Registrar of the Fund

HSBC Institutional Trust Services (Asia) Limited is the Trustee of the Fund and HSBC Trustee (Cayman) Limited is the Registrar of the Fund.

9. Fees and Expenses

Initial Charge	Redemption Charge	Management Fee	Trustee Fee	
Normally up to 5.0% of the net asset value per unit of the relevant Class	Currently 0% (normally up to 0.5% of the net asset value per unit of the relevant Class)	1.5% per annum of the net asset value of the relevant Class		Rate (per annum)
			On the first US$40,000,000	0.06% of the net asset value of the Fund
			On the next US$30,000,000	0.04% of the net asset value of the Fund
			On the balance over US$70,000,000	0.025% of the net asset value of the Fund

10. Initial Issue Price

The first issue of units of JPMorgan Korea (acc) - USD was made at a price of US$10.00 per unit, excluding the initial charge.

JPMorgan Malaysia Fund

1. Currency of Denomination

US dollars.

2. Governing Law and Date of Trust Deed

Hong Kong, 12 December 1989.

3. Investment Objective and Policies

The investment policy of the Fund is to provide long-term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in equity securities linked to the Malaysian economy. There includes, but are not restricted to, securities listed on the Kuala Lumpur Stock Exchange. The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

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.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

4. Additional Investment Restrictions and Guidelines

The value of the Fund's holding of securities of companies in Malaysia shall not be less than 70 per cent. of its total net asset value in securities and other investments.

5. Classes of Units

Currently, the following Class is available:

Class	Class Currency
JPMorgan Malaysia (acc) - USD	US dollars
JPMorgan Malaysia - Class C (acc) - USD	US dollars

6. Cost of Establishment

There are no unamortised establishment costs outstanding relating to this Fund.

7. Sub-Manager

JPMorgan Asset Management (Singapore) Limited, a company incorporated in Singapore.

8. Trustee and Registrar of the Fund

HSBC Institutional Trust Services (Asia) Limited is the Trustee of the Fund and HSBC Trustee (Cayman) Limited is the Registrar of the Fund.

9. Fees and Expenses

Initial Charge	Redemption Charge	Management Fee	Trustee Fee	
Normally up to 5.0% of the net asset value per unit of the relevant Class	Currently 0% (normally up to 0.5% of the net asset value per unit of the relevant Class)	For Classes other than Class C: 1.5% per annum of the net asset value of the relevant Class For Class C: 0.75% per annum of the net asset value of the relevant Class		Rate (per annum)
			On the first US$40,000,000	0.06% of the net asset value of the Fund
			On the next US$30,000,000	0.04% of the net asset value of the Fund
			On the balance over US$70,000,000	0.025% of the net asset value of the Fund

10. Initial Issue Price

The first issue of units of JPMorgan Malaysia (acc) - USD and JPMorgan Malaysia - Class C (acc) - USD were made at price of US$10.00 per unit, excluding the initial charge.

JPMorgan Pacific Securities Fund

1. Currency of Denomination

US dollars.

2. Governing Law and Date of Trust Deed

Hong Kong, 7 April 1978.

3. Investment Objective and Policies

The investment policy of the Fund is to provide investors with long term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in the securities of companies in the Asia-Pacific region, including Japan, Australia and New Zealand.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

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.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

4. Additional Investment Restrictions and Guidelines

The value of the Fund's holding of securities of companies which are based in or operate principally in Asia-Pacific region, including Japan and Australia shall not be less than 70 per cent. of its total net asset value in securities and other investments.

5. Classes of Units

Currently, the following Class is available:

Class	Class Currency
JPMorgan Pacific Securities (acc) - USD	US dollars
JPMorgan Pacific Securities - Class C (acc) - USD	US dollars

6. Cost of Establishment

There are no unamortised establishment costs outstanding relating to this Fund.

7. Trustee and Registrar of the Fund

HSBC Institutional Trust Services (Asia) Limited is the Trustee of the Fund and HSBC Trustee (Cayman) Limited is the Registrar of the Fund.

8. Fees and Expenses

Initial Charge	Redemption Charge	Management Fee	Trustee Fee	
Normally up to 5.0% of the net asset value per unit of the relevant Class	Currently 0% (normally up to 0.5% of the net asset value per unit of the relevant Class)	For Classes other than Class C: 1.5% per annum of the net asset value of the relevant Class For Class C: 0.75% per annum of the net asset value of the relevant Class		Rate (per annum)
			On the first US$40,000,000	0.06% of the net asset value of the Fund
			On the next US$30,000,000	0.04% of the net asset value of the Fund
			On the balance over US$70,000,000	0.025% of the net asset value of the Fund

9. Initial Issue Price

The first issue of units of JPMorgan Pacific Securities (acc) - USD was made at a price of US$2.41 per unit, excluding the initial charge.

In addition, the first issue of units of the following Class will be made at the price below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Pacific Securities - Class C (acc) - USD	US$10.00

10. Offering to PRC investors

The Fund has received approval from the China Securities Regulatory Commission for offering to PRC investors and classes with the suffix "(PRC)" are available to PRC investors.

JPMorgan Pacific Technology Fund

1. Currency of Denomination

US dollars.

2. Governing Law and Date of Trust Deed

Hong Kong, 14 August 1997.

3. Investment Objective and Policies

The investment policy of the Fund is to provide long-term capital growth through a portfolio consisting primarily (i.e. at least 70% of its total net asset value) of securities of technology companies (including but not limited to companies related to technology, media and telecommunication) in the Pacific region, including Japan.

The Fund is not subject to any limitation on the market capitalisation of the companies in which it may invest.

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.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

4. Additional Investment Restrictions and Guidelines

The value of the Fund's holding of securities of companies which are based in or operate principally in the Pacific region, including Japan shall not be less than 70 per cent. of its total net asset value in securities and other investments.

5. Classes of Units

Currently, the following Classes are available:

Class	Class Currency
JPMorgan Pacific Technology (acc) - AUD (hedged)	Australian dollars
JPMorgan Pacific Technology (acc) - HKD	HK dollars
JPMorgan Pacific Technology (acc) - SGD (hedged)	Singapore dollars
JPMorgan Pacific Technology (acc) - USD	US dollars
JPMorgan Pacific Technology - Class C (acc) - USD	US dollars

6. Cost of Establishment

There are no unamortised establishment costs outstanding relating to this Fund.

7. Trustee and Registrar of the Fund

HSBC Institutional Trust Services (Asia) Limited is the Trustee of the Fund and HSBC Trustee (Cayman) Limited is the Registrar of the Fund.

8. Fees and Expenses

Initial Charge	Redemption Charge	Management Fee	Trustee Fee	
Normally up to 5.0% of the net asset value per unit of the relevant Class	Currently 0% (normally up to 0.5% of the net asset value per unit of the relevant Class)	For Classes other than Class C: 1.5% per annum of the net asset value of the relevant Class For Class C: 0.75% per annum of the net asset value of the relevant Class		Rate (per annum)
			On the first US$40,000,000	0.06% of the net asset value of the Fund
			On the next US$30,000,000	0.04% of the net asset value of the Fund
			On the balance over US$70,000,000	0.025% of the net asset value of the Fund

9. Initial Issue Price

The first issue of units of JPMorgan Pacific Technology (acc) - USD was made at a price of US$10.00 per unit, excluding the initial charge.

In addition, the first issue of units of the following Classes will be made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Pacific Technology (acc) - AUD (hedged)	AU$10.00
JPMorgan Pacific Technology (acc) - HKD	HK$10.00
JPMorgan Pacific Technology (acc) - SGD (hedged)	SG$10.00
JPMorgan Pacific Technology - Class C (acc) - USD	US$10.00

10. Offering to PRC investors

The Fund has received approval from the China Securities Regulatory Commission for offering to PRC investors and classes with the suffix "(PRC)" are available to PRC investors.

JPMorgan Philippine Fund

1. Currency of Denomination

US dollars.

2. Governing Law and Date of Trust Deed

Hong Kong, 29 July 1974.

3. Investment Objective and Policies

The investment policy of the Fund is to provide long-term capital growth through investment primarily (i.e. at least 70% of its total net asset value) in the equity securities of companies based or operating in the Philippines. The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

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.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

4. Additional Investment Restrictions and Guidelines

The value of the Fund's holding of securities of companies which are based in or operate principally in the Philippines, shall not be less than 70 per cent. of its total net asset value in securities and other investments.

5. Classes of Units

Currently, the following Class is available:

Class	Class Currency
JPMorgan Philippine (acc) - USD	US dollars

6. Cost of Establishment

There are no unamortised establishment costs outstanding relating to this Fund.

7. Sub-Manager

JPMorgan Asset Management (Singapore) Limited, a company incorporated in Singapore.

8. Trustee and Registrar of the Fund

HSBC Institutional Trust Services (Asia) Limited is the Trustee of the Fund and HSBC Trustee (Cayman) Limited is the Registrar of the Fund.

9. Fees and Expenses

Initial Charge	Redemption Charge	Management Fee	Trustee Fee	
Normally up to 5.0% of the net asset value per unit of the relevant Class	Currently 0% (normally up to 0.5% of the net asset value per unit of the relevant Class)	1.5% per annum of the net asset value of the relevant Class		Rate (per annum)
			On the first US$40,000,000	0.06% of the net asset value of the Fund
			On the next US$30,000,000	0.04% of the net asset value of the Fund
			On the balance over US$70,000,000	0.025% of the net asset value of the Fund

10. Initial Issue Price

The first issue of units of JPMorgan Philippine (acc) - USD was made at price of US$9.85 per unit, excluding the initial charge.

JPMorgan Thailand Fund

1. Currency of Denomination

US dollars.

2. Governing Law and Date of Trust Deed

Hong Kong, 20 July 1989.

3. Investment Objective and Policies

The investment policy of the Fund is to provide investors with long-term capital appreciation through a portfolio consisting primarily (i.e. at least 70% of its total net asset value) of equity securities of companies based or operating principally in Thailand. The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

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.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

4. Additional Investment Restrictions and Guidelines

The value of the Fund's holding of securities of companies in Thailand shall not be less than 70 per cent. of its total net asset value in securities and other investments.

5. Classes of Units

Currently, the following Class is available:

Class	Class Currency
JPMorgan Thailand (acc) - USD	US dollars

6. Cost of Establishment

There are no unamortised establishment costs outstanding relating to this Fund.

7. Sub-Manager

JPMorgan Asset Management (Singapore) Limited, a company incorporated in Singapore.

8. Trustee and Registrar of the Fund

HSBC Institutional Trust Services (Asia) Limited is the Trustee of the Fund and HSBC Trustee (Cayman) Limited is the Registrar of the Fund.

9. Fees and Expenses

Initial Charge	Redemption Charge	Management Fee	Trustee Fee	
Normally up to 5.0% of the net asset value per unit of the relevant Class	Currently 0% (normally up to 0.5% of the net asset value per unit of the relevant Class)	1.5% per annum of the net asset value of the relevant Class		Rate (per annum)
			On the first US$40,000,000	0.06% of the net asset value of the Fund
			On the next US$30,000,000	0.04% of the net asset value of the Fund
			On the balance over US$70,000,000	0.025% of the net asset value of the Fund

10. Initial Issue Price

The first issue of units of JPMorgan Thailand (acc) - USD was made at price of US$10.00 per unit, excluding the initial charge.

SECTION B – EXPLANATORY MEMORANDA OF BOND AND CURRENCY FUNDS

JPMorgan Asian Total Return Bond Fund

INTRODUCTION

JPMorgan Asian Total Return Bond Fund ("Fund") is a unit trust constituted by a Trust Deed dated 30 November 2004, as amended from time to time ("Trust Deed") governed by the laws of the Hong Kong. The Fund has been authorised as a collective investment scheme in the form of a unit trust by the Securities and Futures Commission ("SFC") under section 104 of the *Securities and Futures Ordinance* (Cap. 571 of the Laws of Hong Kong) ("SFO") and the Code on Unit Trusts and Mutual Funds ("SFC Code"). SFC authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Fund's portfolio is subject to market fluctuations and exchange rate fluctuations and to the risks inherent in all investments. Therefore, the value of the Fund and the level of distributions (if any) may go down as well as up.

FUND PARTIES

The Fund is managed by JPMorgan Funds (Asia) Limited ("Manager"), a company incorporated with limited liability under the laws of Hong Kong.

Day-to-day investment management of the Fund has been delegated to JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited) ("Investment Manager"), a company incorporated with limited liability in Hong Kong. The Investment Manager has further delegated the currency management of the Currency Hedged Classes (other than the classes with the suffix "(PRC)") to JPMorgan Asset Management (UK) Limited ("Sub-Manager"), a company incorporated in England and Wales. The Fund has received approval from the China Securities Regulatory Commission for offering to PRC investors and classes with the suffix "(PRC)" are available to PRC investors. For the Currency Hedged Classes with the suffix "(PRC)", the Investment Manager is responsible for the day-to-day investment management and currency management decision without any further delegation.

HSBC Institutional Trust Services (Asia) Limited acting as trustee of the Fund ("Trustee"), is incorporated in Hong Kong and is registered as a trust company under the Trustee Ordinance in Hong Kong. The Trustee is an indirect wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. Under the Trust Deed, the Trustee is responsible for the safe-keeping of the Fund's investments. The HSBC Group has adopted a policy of compliance with the sanctions issued by The Office of Foreign Assets Control of the US Department of the Treasury.

Please refer to the section entitled "FUND PARTIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds in relation to the liabilities of each of the parties described herein.

HSBC Trustee (Cayman) Limited is the registrar of the Fund ("Registrar") and is incorporated with limited liability in the Cayman Islands. The Registrar is responsible for keeping the register of unitholders.

INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS

Investment Objective and Policy

The investment objective of the Fund is to achieve a competitive total return, consisting of capital growth and regular interest income, through an actively managed portfolio investing primarily (i.e. at least 70% of its total net asset value) in Asian bonds and other debt securities.

In order to achieve the investment objective, the Fund may invest primarily in a wide range of debt securities in Asia based on the anticipated changes in market conditions. The portfolio of the Fund will consist of fixed and floating rate bonds and other debt securities (e.g. convertible bonds, perpetual bonds, etc.) issued by governments, government agencies, supra-national and corporate issuers in Asia (including Australia and New Zealand). The Fund may also invest less than 50% of its total net asset value in bonds and other debt securities which are:

(i) below investment grade (i.e. (a) bonds rated Ba1 or below by Moody's or BB+ or below by Standard & Poor's or such other terms used by international accredited rating agencies or (b) unrated bonds but their issuers are rated Ba1 or below by Moody's or BB+ or below by Standard & Poor's or such other terms used by international accredited rating agencies); or

(ii) rated BB+ or below by a PRC credit rating agency or unrated but their issuers are rated BB+ or below by a PRC credit rating agency; or

(iii) unrated (i.e. both the bonds and issuers are unrated by Moody's, Standard & Poor's, other international accredited rating agencies or PRC credit rating agencies).

The Fund may invest up to 20% of its total net asset value in instruments with loss-absorption features (e.g. contingent convertible debt securities, certain types of senior non-preferred debts, etc.).

The Fund will not invest more than 20% of its total net asset value in PRC onshore securities (including debt securities).

The Fund will not invest more than 20% of its total net asset value in Chinese debt securities traded in the China interbank bond market (the "CIBM") through the CIBM Initiative and/or Bond Connect.

The Fund will not invest more than 10% of its total net asset value in securities issued by or guaranteed by any single sovereign (including its government, public or local authority) with a credit rating below investment grade.

The Fund may not invest more than 10% of its total net asset value in urban investment bonds[1] (城投債).

The Fund may also invest in derivatives such as options, warrants, credit default swaps ("CDS"), currency forward contracts and futures for investment purposes and may under limited circumstances as considered appropriate by the Manager and the Investment Manager, hold temporarily up to 100% of its total net asset value in cash and cash based instruments.

The Fund may invest in assets denominated mainly in US dollars and other local currencies (e.g. Thai Baht, Malaysian Ringgit, Renminbi, Philippine Peso, Indonesian Rupiah, Singapore dollar, Indian Rupee, etc.). The Fund will have limited Renminbi (RMB) denominated underlying investments.

The Investment Manager seeks to evaluate whether environmental, social and governance factors could have a material positive or negative impact on the cash flows or risk profiles of many issuers in which the Fund may invest. These determinations may not be conclusive and securities of issuers which may be negatively impacted by such factors may be purchased and retained by the Fund while the Fund may divest or not invest in securities of issuers which may be positively impacted by such factors.

The investment objective, policy and investment restrictions and guidelines of the Fund may, subject to the approval of the Trustee and/or the SFC (as applicable), vary from time to time when the Manager considers appropriate in the circumstances.

Currency Hedged Classes

Investors who invest in the Currency Hedged Classes should refer to the section entitled "CLASSES OF UNITS" for details on the objective, strategy and risks associated with the Currency Hedged Classes.

Investment Restrictions and Guidelines

The Fund may invest in anything into which a person may invest, subject to the investment restrictions as stipulated in the section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds. In addition, the following investment restrictions and guidelines shall apply to the Fund as at the immediate preceding valuation:

(i) The value of the Fund's holding of Asian bonds and other debt securities shall not be less than 70 per cent. of its total net asset value in securities and other investments.

(ii) Notwithstanding sub-paragraphs 1(g) and 2(c) respectively in the section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds:

  (a) the Fund may invest in one or more underlying schemes which are either eligible schemes or schemes authorised by the SFC. The value of the Fund's holding of units or shares in each such underlying scheme may not exceed 20 per cent. of its total net asset value;

  (b) the Fund may not sell short any securities.

(iii) In addition to and without contradicting the investment restrictions and guidelines set out in the section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds, the

[1] Urban investment bonds are debt instruments issued by mainland China local government financing vehicles ("LGFVs"). These LGFVs are separate legal entities established by local governments and/or their affiliates to raise financing for public welfare investment or infrastructure projects.

following investment restrictions and guidelines shall apply to the Fund (for the avoidance of doubt, the more restrictive investment restrictions and guidelines shall apply):

(a) the Fund may invest up to 30 per cent. of its total net asset value in Korean Won denominated securities or assets;

(b) the value of the Fund's total holdings with any single entity (including, but not limited to, securities, listed and unlisted derivative instruments and deposits) may not exceed 35 per cent. of its total net asset value, however, if such holdings with any single issuer also include over-the-counter derivatives (in addition to securities, listed and unlisted derivative instruments and deposits), such holdings may not exceed 20 per cent. of the Fund's total net asset value; provided however that the investment restriction in this paragraph (iii)(b) does not affect paragraph 1(f) in the section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds; and

(c) the Fund's total risk exposure in respect of over-the-counter derivatives issued by any single counterparty may not exceed 10 per cent. of its total net asset value.

Borrowing and Leverage

The expected maximum level of leverage of the Fund is as follows:

Borrowing Policy

The Fund may enter into borrowing arrangements. Any such borrowing by the Fund shall be temporary and for unavoidable circumstances only including but not limited to, payment of redemption amounts provided that the aggregate principal amount of borrowing outstanding shall not exceed 10 per cent. of the net asset value of the Fund. The Fund's assets may be charged or pledged as security for any such borrowings. Back-to-back loans do not count as borrowing. The Fund may borrow money from the Trustee, the Manager or any of their Connected Persons provided that the lender is permitted to lend money and the interest and any fee is no higher than an arm's length commercial rate or fee for a loan of the same size and nature.

Leverage from the use of financial derivative instruments

For details of the leverage information of the Fund, please refer to the sub-section entitled "Leverage from the use of financial derivative instruments" in the section entitled "Borrowing and Leverage" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Securities Financing Transactions Policy

For details of the securities financing transcactions policy of the Fund, please refer to the section entitled "Securities Financing Transactions Policies" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

RISKS

The performance of the Fund will be affected by a number of risk factors, including the risk factors as set out in the section entitled "RISKS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

In addition, the following risk factors are applicable to the Fund:

(i) Risks associated with debt securities – the Fund's investments in debt securities are subject to the following risks:

- Interest rates risk – Interest rates in the countries in which the Fund's assets will be invested may be subject to fluctuations. Any such fluctuations may have a direct effect on the income received by the Fund and its capital value. Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. The prices of bonds generally increase when interest rates decline and decrease when interest rates rise. Longer term bonds are usually more sensitive to interest rate changes. Given the historically low interest rate environment, risks associated with rising rates are heightened. The performance of the Fund may therefore be adversely affected.

- Below investment grade/unrated investment risk – The Fund may invest in bonds and other debt securities which are unrated or rated below investment grade by international accredited rating agencies or rated BB+ or below by a PRC credit rating agency. Accordingly, such investment will be accompanied by a higher degree of credit and liquidity risks than is present with investment in higher rated securities. During economic downturns such bonds typically fall more in value than investment grade bonds as such are often subject to a higher risk of issuer default. The net asset value of the Fund may decline or be negatively affected if there is a default of any of the bonds with credit rating of below investment grade that the Fund invests in or if interest rates change.

- Investment grade bond risk – Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review such assigned ratings and bonds may therefore be subject to the downgrading risk if economic circumstances (e.g. subject to market or other conditions) impact the relevant bond issues. Downgrading of the bonds may adversely affect the value of the relevant bonds and therefore the performance of the Fund. The Fund may or may not be able to dispose of the bonds that are downgraded. Also, the Fund may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.

- Sovereign debt risk – The Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Fund to participate in restructuring such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers.

- Valuation risk – Valuation of the Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund.

- Credit risk – If the issuer of any of the fixed interest securities in which the Fund's assets are invested defaults, the performance of the Fund will be negatively affected and the Fund could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the Fund. Decline in credit quality of the issuer may adversely affect the valuation of the relevant bonds and the Fund. The credit ratings assigned by credit rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or the issuer at all times. Furthermore, most emerging market fixed interest securities are not given a rating by internationally recognised credit rating agencies and subject to the "Emerging market risk" set out in the section entitled "RISKS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

- Credit rating agency risk – The credit appraisal system in the mainalnd China and the rating methodologies employed in the mainland China may be different from those employed in other markets. Credit ratings given by mainland China rating agencies may therefore not be directly comparable with those given by other international rating agencies.

(ii) Counterparty risk for CDS – The Fund may invest in different instruments (either exchange traded or OTC derivatives) in accordance with the objectives of the Fund and as permitted by the investment restrictions. In general, there is less governmental regulation and supervision of transactions in the OTC markets than of transactions entered into on organised exchanges. Also, the OTC market may be illiquid; it might not be possible to execute a transaction at the desired time. The Fund may buy protection under CDS with or without holding the underlying assets. The Fund may also sell protection under CDS in order to acquire a specific credit exposure. The Fund will enter into CDS transactions with reputable and sound financial institutions (i.e. the counterparties) specialised in this type of transaction. The terms of the CDS transactions are governed by a master agreement entered into between the Trustee on behalf of the Fund and the counterparty. The master agreement uses the form, and incorporates certain terms laid down by the International Swaps and Derivatives Association, Inc. ("ISDA"). Also, the Fund will accept obligations upon a credit event that are within the investment policy of the Fund (please refer to the Credit event risk below). If the counterparties of the CDS transactions default, the Fund could suffer substantial losses.

(iii) Settlement risk – Settlement procedures in CDS may not be as developed and reliable as for exchange traded instruments. The creditworthiness of the counterparty trading CDS used by the Fund may not be as sound as its current credit rating, if any, implies. The Fund may be subject to a risk of loss if a counterparty defaults in the performance of its responsibilities.

Cash settlement – In general, recovery is determined by a group of dealers after the credit event, or as per the agreed method in the trade documentation, and a cash payment of par value minus recovery is made to the CDS protection buyer.

In case a credit event occurs, physical settlement may also apply if it is part of the agreed CDS terms:

Physical settlement – The CDS protection buyer can deliver the referenced obligation or one of a number of agreed deliverable obligations and receive par recovery value. The need for a pre-agreed notification period and delivery windows happens when the total notional of deliverable obligations is less than the total of CDS contracts outstanding of the reference entity. If all CDS contracts had to settle physically on the same day, there would be insufficient bonds to meet demand.

Notwithstanding the above settlement methods, the price of the underlying defaulted bonds can vary significantly during the pre-agreed notification period and delivery windows following an event of default, thereby resulting in a material difference in estimating the settlement values, and thus causing fluctuations in the Fund's net asset value.

(iv) Volatility risk for CDS – CDS may trade differently from the funded securities of the reference entity. In adverse market conditions, the basis (difference between the spread on bonds and the spread on CDS) can add significantly more volatility than holding funded securities.

(v) Credit event risk – A credit event is generally defined by ISDA among others as an event of bankruptcy, insolvency, receivership, material adverse restructuring of debt, obligation default/acceleration, debt moratorium/ repudiation and/or failure to meet payment obligations when due by the CDS referenced issuer. ISDA has produced standardised documentation for these transactions under the umbrella of its ISDA Master Agreement. Given that the terms and definitions in the CDS contract may vary across each counterparty the Investment Manager deals with, the Fund may be subject to a risk of prolonged period of recovery or loss as a result.

Recovery risk – The Fund may be exposed to the risk of receiving small or zero recovery amounts as compared to the pre-agreed notional recovery.

Deliverable risk – There could be a potential mismatch of deliverables when the Investment Manager sells CDS protection on one swap and buys CDS protection on another swap with different deliverable obligations since the market conditions may not permit the Investment Manager to sell the obligations that are being delivered in an illiquid post-default market and buy the pre-agreed obligations to deliver in the other swap.

(vi) Payment of distributions out of capital risk – Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realised and unrealised capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment, as a result, the capital that the Fund has available for investment in the future and capital growth may be reduced. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit. Also, a high distribution yield does not imply a positive or high return on the total investment.

The distribution amount and net asset value of the Currency Hedged Class may be adversely affected by differences in the interest rates of the denominated currency of the Currency Hedged Class and the base currency of the Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-Currency Hedged Classes.

(vii) Cross-Class liability risk – Pursuant to the Trust Deed, the Manager reserves the right to establish and issue new Classes from time to time. The net asset value of each Class will be calculated separately with particular assets and liabilities of the Fund attributable to particular Classes. Whilst different Classes may have separate accounts for internal accounting purposes, there is no legal segregation of assets and liabilities between Classes. Accordingly, the assets of one or more Classes may be used to settle liability which arises in another Class.

(viii) Class currency risk – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not Australian dollars) and chooses to invest in the AUD Hedged Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and Australian dollars upon the reconversion of its Australian dollars investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in Australian dollars. For further details, please refer to the sub-section entitled "Currency Hedged Classes" in the section entitled "CLASSES OF UNITS" below.

(ix) Perpetual bonds risk – The Fund may invest in perpetual bonds. Perpetual bonds (bonds without a maturity date) may be exposed to additional liquidity risk in certain market conditions. The liquidity for such investments in stressed market environments may be limited, negatively impacting the price they may be sold at, which in turn may negatively impact the Fund's performance. The perpetual bonds are subject to call extension risk.

(x) Call extension risk : Contingent convertible bonds can also be issued as perpetual bonds (i.e. bonds without a maturity date). While these will have call dates, there is no guarantee that the issue will be called on this date and there is a possibility that the bond may never be called resulting in the Fund not receiving the return of the principal at any date, like for any other non-callable perpetual bond.

(xi) Risks associated with convertible bonds – Convertible bonds are a hybrid between debt and equity, permitting holders to convert into shares in the company issuing the bond at a specified future date. As such, convertible bonds will be exposed to equity movement and greater volatility than straight bond investments. Investments in convertible bonds are subject to the same interest rate risk, credit risk, liquidity risk and prepayment risk associated with comparable straight bond investments.

(xii) Risks associated with investments in debt instruments with loss-absorption features – Debt instruments with loss-absorption features are subject to greater risks when compared to traditional debt instruments as such instruments are typically subject to the risk of being written down or converted to ordinary shares upon the occurrence of pre-defined trigger events (e.g. when the issuer is near or at the point of non-viability or when the issuer's capital ratio falls to a specified level), which are likely to be outside of the issuer's control. Such trigger events are complex and difficult to predict and may result in a significant or total reduction in the value of such instruments.

In the event of the activation of a trigger, there may be potential price contagion and volatility to the entire asset class. Debt instruments with loss-absorption features may also be exposed to liquidity, valuation and sector concentration risk.

The Fund may invest in contingent convertible debt securities, commonly known as CoCos, which are highly complex and are of high risk. Upon the occurrence of the trigger event, CoCos may be converted into shares of the issuer (potentially at a discounted price), or may be subject to the permanent write-down to zero. Coupon payments on CoCos are discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.

The Fund may invest in certain types of senior non-preferred debts. While these instruments are generally senior to subordinated debts, they may be subject to write-down upon the occurrence of a trigger event and will no longer fall under the creditor ranking hierarchy of the issuer. This may result in total loss of principal invested.

The Fund's investments in derivative instruments, including CDS, are governed by provisions in this Explanatory Memorandum. The Investment Manager's risk management process provides the overall control framework over these derivatives.

The key risk management processes for OTC (over-the-counter) derivatives include: a) reviewing and setting-up of new OTC master trade documentation, b) approval and set up of OTC counterparties, c) new OTC instruments due diligence, d) OTC trade approval, e) monitoring of Investment Restrictions and Guidelines, f) OTC valuation process, g) monitoring of CDS credit events, and h) monitoring of OTC trades and counterparties.

In view of the above, investment in the Fund should be regarded as long term in nature. The Fund is, therefore, only suitable for investors who can afford the risks involved.

CLASSES OF UNITS

Pursuant to the Trust Deed, the Manager may decide to issue separate classes (each a "Class") whose assets will be commonly invested but where a specific fee structure, currency or distribution policy may be applied. Each Class may have a different charging structure with the result that the net asset value attributable to each Class may differ.

Currently, the following Classes are available:

Class	Class Currency
JPMorgan Asian Total Return Bond (acc) - HKD	HK dollars
JPMorgan Asian Total Return Bond (acc) - RMB (hedged)	Renminbi
JPMorgan Asian Total Return Bond (acc) - USD	US dollars
JPMorgan Asian Total Return Bond (mth) - AUD (hedged)	Australian dollars
JPMorgan Asian Total Return Bond (mth) - CAD (hedged)	Canadian dollars
JPMorgan Asian Total Return Bond (mth) - EUR (hedged)	Euro
JPMorgan Asian Total Return Bond (mth) - GBP (hedged)	Sterling
JPMorgan Asian Total Return Bond (mth) - HKD	HK dollars
JPMorgan Asian Total Return Bond (mth) - NZD (hedged)	New Zealand dollars
JPMorgan Asian Total Return Bond (mth) - RMB (hedged)	Renminbi
JPMorgan Asian Total Return Bond (mth) - SGD (hedged)	Singapore dollars
JPMorgan Asian Total Return Bond (mth) - USD	US dollars
JPMorgan Asian Total Return Bond - Class C (acc) - USD	US dollars
JPMorgan Asian Total Return Bond - Class C (mth) - USD	US dollars

The Manager also has the power under the Trust Deed to cease to offer any Class (either temporarily or permanently). The Manager shall be entitled to cancel all units of a particular Class then in issue if at any time the net asset value of that Class falls below US$5 million (or its equivalent in another currency) or at any time with the sanction of an Extraordinary Resolution. In such event, the Manager shall issue to the affected unitholders units of an equivalent value of such other existing Class (if any) as the Manager may in its absolute discretion determine. Prior to such cancellation and issue of units, the Manager shall give the Trustee and all affected unitholders one month's notice (or such other notice period as required by the SFC) of its determination to cancel that Class and the new Class of units to be issued in substitution therefor (if any).

Currency Hedged Classes

For details of Currency Hedged Class of the Fund, please refer to the sections entitled "Currency Hedged Classes" and "AUD Hedged Class/CAD Hedged Class/EUR Hedged Class/GBP Hedged Class/HKD Hedged Class/NZD Hedged Class/RMB Hedged Class/SGD Hedged Class/USD Hedged Class" respectively in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

DISTRIBUTION POLICY

The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval and one month's prior notice to the relevant unitholders.

Classes with the suffix "(acc)"

Classes with the suffix "(acc)" are accumulation Classes and will not normally pay distributions. All income will be accumulated and reinvested within the corresponding Classes of the Fund.

Other Classes

It is the intention of the Manager to have at least 85 per cent. of the income attributable to the following Classes respectively in respect of each accounting period, after charging the expenses attributable to these Classes respectively, to be distributed to unitholders of these Classes respectively:

Class
JPMorgan Asian Total Return Bond (mth) - AUD (hedged)
JPMorgan Asian Total Return Bond (mth) - CAD (hedged)
JPMorgan Asian Total Return Bond (mth) - EUR (hedged)
JPMorgan Asian Total Return Bond (mth) - GBP (hedged)
JPMorgan Asian Total Return Bond (mth) - HKD
JPMorgan Asian Total Return Bond (mth) - NZD (hedged)
JPMorgan Asian Total Return Bond (mth) - RMB (hedged)
JPMorgan Asian Total Return Bond (mth) - SGD (hedged)
JPMorgan Asian Total Return Bond (mth) - USD
JPMorgan Asian Total Return Bond - Class C (mth) - USD

It is the intention of the Manager to make distributions on a monthly basis or/and at such other time as the Manager may, with the prior approval of the Trustee, notify to unitholders. The Manager expects to be able to pay distributions from income generated by the Fund from its investment but in the event that such income is insufficient to pay distributions as it declares, the Manager may in its discretion determine that such distributions may be paid from capital. Please also refer to the risk factor entitled "Payment of distributions out of capital risk".

Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[#].

The transferee of a unit will be entitled to a distribution in respect of such unit if the Registrar has received a valid instrument of transfer (duly stamped if required) in respect of the unit by 3:30 p.m. (Hong Kong time) on the last cum distribution dealing date. The subscriber of a unit shall be entitled to a distribution in respect of such unit if the application for the unit is received by the Manager by 5:00 p.m. (Hong Kong time) on the last cum distribution dealing date.

[#] The website has not been reviewed by the SFC.

Reinvestment of Distributions

It is the Manager's current policy to reinvest automatically any distributions in the subscription of further units of the corresponding Class of units of the Fund, unless unitholders notify the Manager otherwise in writing and the amount of the relevant distribution equals to or exceeds US$250 (or its equivalent in another currency). Such further units will be issued on the date of distribution, or if that is not a dealing day, on the next following dealing day. No initial charge will be made on the issue of such further units. In the event that a unitholder redeems or switches its entire holding of the relevant Class before the actual payment date of any distributions, the Manager will redeem the reinvested units on the actual payment date and pay the redemption proceeds to the unitholder in cash if the reinvested units do not meet the relevant minimum holding requirement.

Payment of Distributions by cheque

For unitholders who have notified the Manager in writing to receive payment of distributions instead of having the distributions reinvested automatically in the subscription of further units (except for unitholders of the RMB denominated Class), payment will be made by cheque in the offering currency of the relevant Class and sent, at the risk of the persons entitled thereto, to such persons at the address (or first address in the case of any joint holding) shown in the register of unitholders or as they may direct. Any distribution which is not claimed for six years will be forfeited and becomes part of the assets of the relevant Class (and in case such relevant Class has been terminated, the Fund).

Payment of Distributions by telegraphic transfer

For unitholders of the RMB denominated Class who have notified the Manager in writing to receive payment of distributions instead of having the distributions reinvested automatically in the subscription of further units, payment will normally be made by telegraphic transfer, unless otherwise agreed by the Manager. Unitholders may be liable for any bank charges on payment by telegraphic transfer. Notwithstanding the aforesaid, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, the Manager may pay distributions in USD.

BASES OF VALUATIONS

The method of establishing the net asset value of each Class is set out in the Trust Deed. The net asset value per unit of each Class is calculated by dividing the value of the assets of that Class, less liabilities of that Class, by the total number of units of that Class in issue as at 5:00p.m. (Hong Kong time) on the immediately preceding dealing day or such other time agreed between the Manager and the Trustee. Any rounding adjustment arising in respect thereof will be retained by the relevant Class. In general, quoted investments are valued at their closing price and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Manager or a professional person engaged for this purpose. Interest and other income and liabilities are, where practicable, accrued from day to day. Such valuations will be expressed in the offering currency of the relevant Class. The Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

Market volatility may result in a discrepancy between the latest net asset value for each Class and the fair value of the assets of the relevant Class. Certain investors might exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on redemption, other unitholders may suffer a dilution in the value of their investment. As a safeguard against such exploitation, the Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the net asset value of the relevant Class or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders. It should be noted that the bases of valuations adopted by the relevant Class and the Fund may not be the same as the accounting principles generally accepted in Hong Kong. Further details are set out in the section entitled "Reports and Accounts" below.

DEALING

For details of the dealing procedure of the Fund, please refer to the section entitled "DEALING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SUBSCRIPTIONS

The Fund is denominated in US dollars.

For details of applications for units of the Fund, please refer to the section entitled "SUBSCRIPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds, save that the maximum initial charge payable shall be normally up to 3 per cent. of the net asset value per unit.

Initial Issue Price

The first issue of units of the existing Classes were made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Asian Total Return Bond (mth) - AUD (hedged)	AU$10.00
JPMorgan Asian Total Return Bond (mth) - CAD (hedged)	CA$10.00
JPMorgan Asian Total Return Bond (mth) - GBP (hedged)	GBP10.00
JPMorgan Asian Total Return Bond (mth) - HKD	HK$10.00
JPMorgan Asian Total Return Bond (mth) - NZD (hedged)	NZ$10.00
JPMorgan Asian Total Return Bond (mth) - RMB (hedged)	RMB10.00
JPMorgan Asian Total Return Bond (mth) - USD	US$10.00
JPMorgan Asian Total Return Bond (acc) - RMB (hedged)	RMB10.00
JPMorgan Asian Total Return Bond (acc) - USD	US$10.00

In addition, the first issue of units of the following Classes will be made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Asian Total Return Bond (acc) - HKD	HK$10.00
JPMorgan Asian Total Return Bond (mth) - EUR (hedged)	EUR10.00
JPMorgan Asian Total Return Bond (mth) - SGD (hedged)	SG$10.00
JPMorgan Asian Total Return Bond - Class C (acc) - USD	US$10.00
JPMorgan Asian Total Return Bond - Class C (mth) - USD	US$10.00

REDEMPTIONS

For details of redemptions of the Fund, please refer to the section entitled "REDEMPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SWITCHING

For details on how to switch between Classes of units within the same Fund or between the Fund and other funds managed by the Manager or in respect of which the Manager acts as Hong Kong representative, please refer to the section entitled "SWITCHING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

FEES, CHARGES AND LIABILITIES

Initial and Redemption Charges

The Manager may make an initial charge for each Class (normally up to 3 per cent. of the net asset value per unit) from the gross subscription amount on the issue of units where applicable and receive a redemption charge for each Class (normally up to 0.5 per cent. of the net asset value per unit) from the redemption monies on the cancellation or redemption of units where applicable. However, the Manager does not currently levy any redemption charge.

The Manager reimburses to approved intermediaries, which include banks, brokers, recognised securities dealers and other investment advisers (collectively, "Distributors"), a proportion of the commissions, fees, charges or other benefits received by it on the value of the relevant business introduced to the Fund.

Management Fee

The Manager is entitled to receive a management fee of up to 2.5 per cent. per annum of the net asset value of each Class. However, the Manager currently receives a fee of 1 per cent. per annum of the net asset value of each Class other than Class C. For Class C, the Manager currently receives a fee of 0.5 per cent. per annum of the net asset value of each Class. The Manager may only increase the level of its fee (which may not exceed 2.5 per cent. per annum of the net asset value of each Class), by giving to the Trustee and unitholders not less than one month's notice of the increased level of management fee. The management fee shall accrue daily based on the net asset value of that Class on each dealing day and shall be payable monthly in arrears. If

the assets of the Fund include interests in any unit trust or other collective investment scheme managed by the Manager or its Connected Persons, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the relevant Class' interest in such unit trust or scheme. Where the Fund invests in any underlying scheme(s) managed by the Manager, the Investment Manager and/or the Sub-Manager or any of their Connected Persons, all initial charges and redemption charges on the underlying scheme(s) shall be waived. The Manager, the Investment Manager and/or the Sub-Manager of the Fund may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company.

The fees of the Investment Manager will be borne by the Manager. The fees of the Sub-Manager will be borne by the Investment Manager.

Trustee Fee

The Trustee is entitled to receive a trustee fee of 0.2 per cent. per annum of the net asset value of the Fund. However, the Trustee currently receives a fee at the following rates of the Fund's net asset value:-

	Rate (per annum)
On the first US$40,000,000	0.06%
On the next US$30,000,000	0.04%
On the balance over US$70,000,000	0.025%

The Trustee may only increase the level of its fee (which may not exceed 0.2 per cent. per annum) with the agreement of the Manager and by giving to the unitholders not less than one month's notice of the increased level of trustee fee. The trustee fee shall accrue daily based on the net asset value of the Fund on each dealing day and shall be payable monthly in arrears.

For details of the current fees and charges in respect of dealings made through any other channels from time to time specified by JPMorgan Funds (Asia) Limited, please consult JPMorgan Funds (Asia) Limited.

Other Liabilities

Save for the cost of establishing the Fund, details under the sub-section entitled "Other Liabilities" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

There are no unamortised establishment costs outstanding relating to this Fund.

CONFLICTS OF INTEREST

For details of the Manager's current policy on conflicts of interest, please refer to the section entitled "CONFLICTS OF INTEREST" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

TAXATION

The following sub-sections under Section D – TAX NOTES of the Consolidated Explanatory Memoranda apply to the Fund:

(i) "(i) General";

(ii) the sub-paragraph entitled "Hong Kong" under the sub-section entitled "(ii) Taxation of Funds in their Country/Region of Formation"; and

(iii) "(iii) Taxation of Unitholders".

REPORTS AND ACCOUNTS

For details of the reports and accounts of the Fund, please refer to the section entitled "REPORTS AND ACCOUNTS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

GENERAL

The general provisions under the section entitled "GENERAL" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to the Fund.

MANAGEMENT AND ADMINISTRATION DIRECTORY

Manager and Service Provider

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Trustee

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Directors of JPMorgan Funds (Asia) Limited

Chan, Tsun Kay, Edwin
Ebrahim, Ayaz
Leung, Kit Yee, Elka
Roberts, Ioan William
Watkins, Daniel James

Registrar

HSBC Trustee (Cayman) Limited
PO Box 484
HSBC House
68 West Bay Road
Grand Cayman KY1-1106
Cayman Islands

Investment Manager

JPMorgan Asset Management (Asia Pacific) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Auditors

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
1 Des Voeux Road Central
Hong Kong

Sub-Manager

JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London
EC4Y 0JP
United Kingdom

Additional information is available from: -

JPMorgan Funds (Asia) Limited
GPO Box 11448
Hong Kong

Telephone: (852) 2265 1188
Facsimile: (852) 2868 5013

JPMorgan Europe High Yield Bond Fund

INTRODUCTION

JPMorgan Europe High Yield Bond Fund ("Fund") is a unit trust constituted by a Trust Deed dated 10 March 2016 ("Trust Deed") governed by the laws of Hong Kong. The Fund has been authorised as a collective investment scheme in the form of a unit trust by the Securities and Futures Commission ("SFC") under Section 104 of the *Securities and Futures Ordinance* (Cap. 571 of the Laws of Hong Kong) ("SFO") and the Code on Unit Trusts and Mutual Funds ("SFC Code"). SFC authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Fund's portfolio is subject to market fluctuations and exchange rate fluctuations and to the risks inherent in all investments. Therefore, the value of the Fund and the level of distributions (if any) may go down as well as up.

FUND PARTIES

The Fund is managed by JPMorgan Funds (Asia) Limited ("Manager"), a company incorporated with limited liability under the laws of Hong Kong.

Day-to-day investment management of the Fund has been delegated to JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited) ("Investment Manager"), a company incorporated with limited liability in Hong Kong. The Investment Manager has further appointed JPMorgan Asset Management (UK) Limited, a company incorporated in England and Wales with limited liability as sub-manager ("Sub-Manager").

HSBC Institutional Trust Services (Asia) Limited, acting as trustee of the Fund ("Trustee"), is incorporated in Hong Kong and is registered as a trust company under the Trustee Ordinance in Hong Kong. The Trustee is an indirect wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. Under the Trust Deed, the Trustee is responsible for the safe-keeping of the Fund's investments. The HSBC Group has adopted a policy of compliance with the sanctions issued by The Office of Foreign Assets Control of the US Department of the Treasury.

HSBC Trustee (Cayman) Limited is the registrar of the Fund ("Registrar") and is incorporated with limited liability in the Cayman Islands. The Registrar is responsible for keeping the register of unitholders.

INVESTMENT OBJECTIVES, POLICY AND RESTRICTIONS

Investment Objective and Policy

The investment objective and policy of the Fund are to aim to achieve a return in excess of European bond markets by investing at least 70% of its total net asset value in European and non-European below investment grade debt securities denominated in European currencies.

Debt securities include but are not limited to bonds, money market instruments and other debt securities which are issued by the international issuers such as government, quasi-government organizations, agencies, financial institutions, corporations, organizations or entities.

The Fund will invest not less than 70% of its total net asset value in below investment grade debt securities (rated Ba1/BB+ or below using the highest rating available from one of the international independent rating agencies (e.g. Moody's, Standard and Poor's, Fitch)) or unrated securities. When investing in debt securities, the Investment Manager will first consider the credit rating of a debt security itself and only if such credit rating is unavailable, the Investment Manager will then consider the credit rating of its issuer, which will become the implied rating of the relevant debt security. An unrated debt security refers to a debt security which neither the debt security itself nor its issuer has a credit rating.

The Fund may invest up to 30% of its total net asset value in investment grade debt securities (rated Baa3/BBB- or higher using the highest rating available from one of the international independent rating agencies (e.g. Moody's, Standard and Poor's, Fitch)).

The Fund will not invest more than 10% of its total net asset value in securities issued or guaranteed by any single sovereign issuer (including its government, a public or local authority of that country) with a credit rating below investment grade.

The Fund may also invest in derivatives such as options, warrants and futures for investment purposes.

The Fund may also invest up to 10% of its total net asset value in convertible bonds. Currently, the Fund does not intend to i) invest in asset-backed securities (including mortgage-backed securities and asset-backed commercial securities); or ii) enter into securities lending arrangements, repurchase agreements, reverse repurchase agreements or other similar over-the counter transactions. Should these investment policies change in the future, the Manager will follow the appropriate legal and regulatory requirements and the offering document will be updated accordingly.

The Fund may invest up to 5% of its total net asset value in instruments with loss-absorption features (e.g. contingent convertible debt securities, certain types of senior non-preferred debts, etc.).

The Investment Manager seeks to evaluate whether environmental, social and governance factors could have a material positive or negative impact on the cash flows or risk profiles of many issuers in which the Fund may invest. These determinations may not be conclusive and securities of issuers which may be negatively impacted by such factors may be purchased and retained by the Fund while the Fund may divest or not invest in securities of issuers which may be positively impacted by such factors.

The Fund will have limited Renminbi (RMB) denominated underlying investments.

The investment objective, policy and investment restrictions and guidelines of the Fund may, subject to the approval of the Trustee and/or the SFC (as applicable), vary from time to time when the Manager considers appropriate in the circumstances.

Investment Restrictions and Guidelines

The Fund may invest in anything into which a person may invest, subject to the investment restrictions as stipulated in the sub-section entitled "Investment Restrictions and Guidelines" under the section entitled "INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds, unless otherwise set out below.

The following investment restrictions and guidelines are applicable to the Fund:

i) The value of the Fund's holding of European and non-European below investment grade debt securities denominated in European currencies shall not be less than 70% of its total net asset value in securities and other investments.

ii) The Fund will not invest more than 10% of its total net asset value in securities issued or guaranteed by any single sovereign issuer (including its government, a public or local authority of that country) with a credit rating below investment grade.

Borrowing and Leverage

For information about the borrowing and leverage of the Fund, please refer to the section entitled "Borrowing and Leverage" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Securities Financing Transactions Policy

Although the Trust Deed contains provisions which allow the Manager to, on behalf of the Fund, enter into securities financing transactions, namely, securities lending transactions, sale and repurchase transactions and reverse purchase transactions, or other similar over-the-counter transactions, the Manager does not currently intend to enter into such transactions. Should the Manager decide to enter into these transactions, this Explanatory Memorandum will be amended and unitholders will be provided with not less than one month's (or such other period as the SFC may require) prior written notification in respect of such amendment.

RISKS

The performance of the Fund will be affected by a number of risk factors, including the risk factors as set out in the section entitled "RISKS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

In addition, the following risk factors are applicable to the Fund:

(i) Risks associated with debt securities – the Fund's investments in debt securities are subject to the following risks:

- Interest rates risk – Interest rates in the countries in which the Fund's assets will be invested may be subject to fluctuations. Any such fluctuations may have a direct effect on the income received by the Fund and its capital value. Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. The prices of bonds generally increase when interest rates decline and decrease when interest rates rise. Longer term bonds are usually more sensitive to interest rate changes. Given the historically low interest rate environment, risks associated with rising rates are heightened. The performance of the Fund may therefore be adversely affected.

- Below investment grade/lower rated or unrated investment risk – The Fund may invest in bonds and other debt securities which are unrated or rated below investment grade by international accredited rating agencies. Accordingly, such investment will be accompanied by a higher degree of credit and liquidity risk than is present with investment in higher rated securities. During economic downturns such bonds typically fall more in value than investment grade bonds as such are often subject to a higher risk of issuer default. The net asset value of the Fund may decline or be negatively affected if there is a default of any of the bonds with credit rating of below investment grade that the Fund invests in or if interest rates change.

- Investment grade bond risk – Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review such assigned ratings and bonds may therefore be downgraded in rating if economic circumstances (e.g. subject to market or other conditions) impact the relevant bond issues. Downgrading of the bonds may adversely affect the value of the relevant bonds and therefore the performance of the Fund. The Fund may or may not be able to dispose of the bonds that are downgraded. Also, the Fund may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.

- Credit risk – If the issuer of any of the fixed interest securities in which the Fund's assets are invested defaults, the performance of the Fund will be negatively affected and the Fund could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the Fund. Decline in credit quality of the issuer may adversely affect the valuation of the relevant bonds and the Fund. The credit ratings assigned by credit rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or the issuer at all times. Furthermore, most emerging market fixed interest securities are not given a rating by internationally recognised credit rating agencies and subject to the "Emerging markets risk" set out in the section entitled "RISKS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

- Valuation risk – Valuation of the Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund.

(ii) Risks associated with investments in debt instruments with loss-absorption features – Debt instruments with loss-absorption features are subject to greater risks when compared to traditional debt instruments as such instruments are typically subject to the risk of being written down or converted to ordinary shares upon the occurrence of pre-defined trigger events (e.g. when the issuer is near or at the point of non-viability or when the issuer's capital ratio falls to a specified level), which are likely to be outside of the issuer's control. Such trigger events are complex and difficult to predict and may result in a significant or total reduction in the value of such instruments.

In the event of the activation of a trigger, there may be potential price contagion and volatility to the entire asset class. Debt instruments with loss-absorption features may also be exposed to liquidity, valuation and sector concentration risk.

The Fund may invest in contingent convertible debt securities, commonly known as CoCos, which are highly complex and are of high risk. Upon the occurrence of the trigger event, CoCos may be converted into shares of the issuer (potentially at a discounted price), or may be subject to the permanent write-down to zero. Coupon payments on CoCos are discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.

The Fund may invest in certain types of senior non-preferred debts. While these instruments are generally senior to subordinated debts, they may be subject to write-down upon the occurrence of a trigger event and will no longer fall under the creditor ranking hierarchy of the issuer. This may result in total loss of principal invested.

(iii) Distribution risk – The Manager intends to distribute at least 85 per cent. of the income (net of expenses) attributable to each Class in respect of each accounting period. However, there is no assurance on such distribution or the distribution rate or dividend yield.

(iv) Payment of distributions out of capital risk – Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realised and unrealised capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment. As a result, the capital that the Fund has available for investment in the future and capital growth may be reduced. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit. Also, a high distribution yield does not imply a positive or high return on the total investment.

The distribution amount and net asset value of the Currency Hedged Class may be adversely affected by differences in the interest rates of the denominated currency of the Currency Hedged Class and the base currency of the Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-hedged Classes.

(v) RMB currency risk – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the People's Republic of China. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including US dollars and HK dollars, are susceptible to movements based on external factors. Accordingly, the investment in Classes denominated in RMB may be adversely affected by the fluctuations in the exchange rate between RMB and other foreign currencies.

RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government.

Classes denominated in RMB will generally be valued with reference to RMB (CNH) rather than RMB (CNY). While RMB (CNH) and RMB (CNY) represent the same currency, they are traded in different and separate markets which operate independently. As such RMB (CNH) does not necessarily have the same exchange rate and may not move in the same direction as RMB (CNY). Any divergence between RMB (CNH) and RMB (CNY) may adversely impact investors.

Classes denominated in RMB participate in the offshore RMB (CNH) market, which allow investors to freely transact CNH outside of mainland China. Classes denominated in RMB will have no requirement to remit CNH to onshore RMB (CNY). Non-RMB based investors (e.g. Hong Kong investors) in Classes denominated in RMB may have to convert HK dollars or other currencies into RMB when investing in Classes denominated in RMB and subsequently convert the RMB redemption proceeds and/or distributions (if any) back to HK dollars or such other currencies. Investors will incur currency conversion costs and may suffer losses depending on the exchange rate movements of RMB relative to HK dollars or such other currencies. Also, there can be no assurance that RMB will not be subject to devaluation and any depreciation of RMB could adversely affect the value of the investor's investment in the Fund.

Even if the Fund aims at paying redemption monies and/or distributions of RMB denominated Classes in RMB, the Manager may, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, pay redemption monies and/or distributions in Fund's base currency. There is also a risk that payment of redemption monies and/or distributions in RMB may be delayed when there is not sufficient amount of RMB for currency conversion for settlement of the redemption monies and distributions in a timely manner due to the exchange controls and restrictions applicable to RMB. In any event, the redemption proceeds will be paid not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.

(vi) Class currency risk – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not Australian dollars) and chooses to invest in the AUD Hedged Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and Australian dollars upon the reconversion of its Australian dollars investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in Australian dollars. For further details, please refer to the sub-section entitled "Currency Hedged Classes" in the section entitled "CLASSES OF UNITS" below.

(vii) Risks related to the Eurozone sovereign debt crisis – The Fund may invest substantially in the Eurozone. In light of the ongoing fiscal conditions and concerns on the sovereign debt risk of certain countries within the Eurozone (in particular, Portugal, Ireland, Italy, Greece and Spain), the Fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. The performance of the Fund may deteriorate significantly should there be any adverse credit events (e.g. downgrade of the sovereign credit rating, obligation default, etc) of any Eurozone country or exit of members from the Eurozone.

CLASSES OF UNITS

Pursuant to the Trust Deed, the Manager may decide to issue separate classes (each a "Class") whose assets will be commonly invested but where a specific fee structure, currency or distribution policy may be applied. Each Class may have a different charging structure with the result that the net asset value attributable to each Class may differ.

Currently, the following Classes are available:

Class	Class Currency
JPMorgan Europe High Yield Bond (mth) - AUD (hedged)	Australian dollars
JPMorgan Europe High Yield Bond (mth) - CAD (hedged)	Canadian dollars
JPMorgan Europe High Yield Bond (mth) - EUR	Euro
JPMorgan Europe High Yield Bond (mth) - GBP (hedged)	Sterling
JPMorgan Europe High Yield Bond (mth) - HKD (hedged)	HK dollars
JPMorgan Europe High Yield Bond (mth) - NZD (hedged)	New Zealand dollars
JPMorgan Europe High Yield Bond (mth) - RMB (hedged)	Renminbi
JPMorgan Europe High Yield Bond (mth) - USD (hedged)	US dollars

The Manager also has the power under the Trust Deed to cease to offer any Class (either temporarily or permanently). The Manager shall be entitled to cancel all units of a particular Class then in issue if at any time the net asset value of that Class falls below US$5 million (or its equivalent in another currency) or at any time with the sanction of an Extraordinary Resolution. In such event, the Manager shall issue to the affected unitholders units of an equivalent value of such other existing Class (if any) as the Manager may in its absolute discretion determine. Prior to such cancellation and issue of units, the Manager shall give the Trustee and all affected unitholders one month's notice (or such other notice period as required by the SFC) of its determination to cancel that Class and the new Class of units to be issued in substitution therefor (if any).

Currency Hedged Classes

For details of Currency Hedged Class of the Fund, please refer to the sections entitled "Currency Hedged Classes" and "AUD Hedged Class/CAD Hedged Class/EUR Hedged Class/GBP Hedged Class/HKD Hedged Class/NZD Hedged Class/RMB Hedged Class/SGD Hedged Class/USD Hedged Class" respectively in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

DISTRIBUTION POLICY

The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval (if applicable) and one month's prior notice to the relevant unitholders.

It is the intention of the Manager to have at least 85 per cent. of the income attributable to the following Classes respectively in respect of each accounting period, after charging the expenses attributable to these Classes respectively, to be distributed to unitholders of these Classes respectively:

Class
JPMorgan Europe High Yield Bond (mth) - AUD (hedged)
JPMorgan Europe High Yield Bond (mth) - CAD (hedged)
JPMorgan Europe High Yield Bond (mth) - EUR
JPMorgan Europe High Yield Bond (mth) - GBP (hedged)
JPMorgan Europe High Yield Bond (mth) - HKD (hedged)
JPMorgan Europe High Yield Bond (mth) - NZD (hedged)
JPMorgan Europe High Yield Bond (mth) - RMB (hedged)
JPMorgan Europe High Yield Bond (mth) - USD (hedged)

It is the intention of the Manager to make distributions on a monthly basis or/and at such other time as the Manager may, with the prior approval of the Trustee, notify to unitholders. The Manager expects to be able to pay distributions from income generated by the Fund from its investment but in the event that such income is insufficient to pay distributions as it declares, the Manager may

in its discretion determine that such distributions may be paid from capital. Please also refer to the risk factor entitled "Payment of distributions out of capital risk".

Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[#].

The transferee of a unit will be entitled to a distribution in respect of such unit if the Registrar has received a valid instrument of transfer (duly stamped if required) in respect of the unit by 3:30 p.m. (Hong Kong time) on the last cum distribution dealing date. The subscriber of a unit shall be entitled to a distribution in respect of such unit if the application for the unit is received by the Manager by 5:00 p.m. (Hong Kong time) on the last cum distribution dealing date.

Reinvestment of Distributions

It is the Manager's current policy to reinvest automatically any distributions in the subscription of further units of the corresponding Class of units of the Fund, unless unitholders notify the Manager otherwise in writing and the amount of the relevant distribution equals to or exceeds US$250 (or its equivalent in another currency). Such further units will be issued on the date of distribution, or if that is not a dealing day, on the next following dealing day. No initial charge will be made on the issue of such further units. In the event that a unitholder redeems or switches its entire holding of the relevant Class before the actual payment date of any distributions, the Manager will redeem the reinvested units on the actual payment date and pay the redemption proceeds to the unitholder in cash if the reinvested units do not meet the relevant minimum holding requirement.

Payment of Distributions by cheque

For unitholders who have notified the Manager in writing to receive payment of distributions instead of having the distributions reinvested automatically in the subscription of further units (except for unitholders of the RMB denominated Class), payment will be made by cheque in the offering currency of the relevant Class and sent, at the risk of the persons entitled thereto, to such persons at the address (or first address in the case of any joint holding) shown in the register of unitholders or as they may direct. Any distribution which is not claimed for six years will be forfeited and becomes part of the assets of the relevant Class (and in case such relevant Class has been terminated, the Fund).

Payment of Distributions by telegraphic transfer

For unitholders of the RMB denominated Class who have notified the Manager in writing to receive payment of distributions instead of having the distributions reinvested automatically in the subscription of further units, payment will normally be made by telegraphic transfer, unless otherwise agreed by the Manager. Unitholders may be liable for any bank charges on payment by telegraphic transfer. Notwithstanding the aforesaid, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, the Manager may pay distributions in Fund's base currency.

BASES OF VALUATIONS

The method of establishing the net asset value of each Class is set out in the Trust Deed. The net asset value per unit of each Class is calculated by dividing the value of the assets of that Class, less liabilities of that Class, by the total number of units of that Class in issue as at 5:00 p.m. (Hong Kong time) on the immediately preceding dealing day or such other time agreed between the Manager and the Trustee. Any rounding adjustment arising in respect thereof will be retained by the relevant Class. In general, quoted investments are valued at their closing price and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Manager or a professional person engaged for this purpose. Interest and other income and liabilities are, where practicable, accrued from day to day. Such valuations will be expressed in the offering currency of the relevant Class. The Manager may, with due care, skill and diligence, in good faith, and, in consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

Market volatility may result in a discrepancy between the latest available net asset value for each Class and the fair value of the assets of the relevant Class. Certain investors might exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on redemption, other unitholders may suffer a dilution in the value of their investment. As a safeguard against such exploitation, the Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the net asset value of the relevant Class or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders. It should be noted that the bases of valuations adopted by the relevant Class and the Fund may not be the same as the accounting principles generally accepted in Hong Kong. Further details are set out in the section entitled "REPORTS AND ACCOUNTS" below.

[#] The website has not been reviewed by the SFC.

DEALING

For details of the dealing procedure of the Fund, please refer to the section entitled "DEALING" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SUBSCRIPTIONS

The Manager has absolute discretion to accept or reject in whole or in part any application for units.

The Fund is denominated in Euro.

The section entitled "SUBSCRIPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund, save that the maximum initial charge payable shall be up to 3 per cent. of the net asset value per unit.

Initial Issue Price

The first issue of units of the existing Classes were made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Europe High Yield Bond (mth) - AUD (hedged)	AU$10.00
JPMorgan Europe High Yield Bond (mth) - EUR	EUR10.00
JPMorgan Europe High Yield Bond (mth) - HKD (hedged)	HK$10.00
JPMorgan Europe High Yield Bond (mth) - RMB (hedged)	RMB10.00
JPMorgan Europe High Yield Bond (mth) - USD (hedged)	US$10.00

In addition, the first issue of units of the following Classes will be made at the prices below, excluding the initial charge referred to above:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Europe High Yield Bond (mth) - CAD (hedged)	CA$10.00
JPMorgan Europe High Yield Bond (mth) - GBP (hedged)	GBP10.00
JPMorgan Europe High Yield Bond (mth) - NZD (hedged)	NZ$10.00

REDEMPTIONS

For details of redemptions of the Fund, please refer to the section entitled "REDEMPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SWITCHING

For details on how to switch between Classes of units within the same Fund or between the Fund and other funds managed by the Manager or in respect of which the Manager acts as Hong Kong representative, please refer to the section entitled "SWITCHING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

FEES, CHARGES AND LIABILITIES

Initial and Redemption Charges

The Manager may make an initial charge for each Class (normally up to 3 per cent. of the net asset value per unit) from the gross subscription amount on the issue of units where applicable and receive a redemption charge for each Class (normally up to 0.5 per cent. of the net asset value per unit) from the redemption monies on the cancellation or redemption of units where applicable. However, the Manager does not currently levy any redemption charge.

The Manager reimburses approved intermediaries, which include banks, brokers, recognised securities dealers and other investment advisers (collectively, "Distributors"), a proportion of the commissions, fees, charges or other benefits received by it on the value of the relevant business introduced to the Fund.

Management Fee

The Manager is entitled to receive a management fee of up to 2.5 per cent. per annum of the net asset value of each Class. However, the Manager currently receives a fee of 1 per cent. per annum of the net asset value of each Class and may only increase the level of its fee (which may not exceed 2.5 per cent. per annum of the net asset value of each Class) by giving to the Trustee and unitholders not less than one month's notice of the increased level of management fee. The management fee shall accrue daily based on the net asset value of each Class on each dealing day and shall be payable monthly in arrears. If the assets of the Fund include interests in any unit trust or other collective investment scheme managed by the Manager or its Connected Persons, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the relevant Class' interest in such unit trust or scheme. Where the Fund invests in any underlying scheme(s) managed by the Manager, the Investment Manager and/or the Sub-Manager or any of their Connected Persons, all initial charges and redemption charges on the underlying scheme(s) shall be waived. The Manager, the Investment Manager and/or the Sub-Manager of the Fund may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company.

The fees of the Investment Manager will be borne by the Manager. The fees of the Sub-Managers will be borne by the Investment Manager.

Trustee Fee

The Trustee is entitled to receive a trustee fee of 0.2 per cent. per annum of the net asset value of the Fund. However, the Trustee currently receives a fee at the following rates of the Fund's net asset value:-

	Rate (per annum)
On the first EUR35,000,000	0.06%
On the next EUR25,000,000	0.04%
On the balance over EUR60,000,000	0.025%

The Trustee may only increase the level of its fee (which may not exceed 0.2 per cent. per annum) with the agreement of the Manager and by giving to the unitholders not less than one month's notice of the increased level of trustee fee. The trustee fee shall accrue daily based on the net asset value of the Fund on each dealing day and shall be payable monthly in arrears.

For details of the current fees and charges in respect of dealings made through any other channels from time to time specified by JPMorgan Funds (Asia) Limited, please consult JPMorgan Funds (Asia) Limited.

Fiscal Charges

For details of the fiscal charges policy of the Fund, please refer to the sub-section entitled "Fiscal Charges" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Other Liabilities

Save for the cost of establishing the Fund, details under the sub-section entitled "Other Liabilities" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

The cost of establishing the Fund which has not been fully amortised as at the date of this Explanatory Memorandum amounts to approximately HK$351,700. These costs will be borne by the Fund and amortised by no later than the third financial year end (for the avoidance of doubt, if the Fund were to terminate for whatever reason before the third financial year end, any such cost remaining unamortised would be written off upon the Fund's termination).

CONFLICTS OF INTEREST

For details of the Manager's current policy on conflicts of interest, please refer to the section entitled "CONFLICTS OF INTEREST" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

TAXATION

The following sub-sections under Section D – TAX NOTES of the Consolidated Explanatory Memoranda apply to the Fund:

(i) "(i) General";

(ii) the sub-paragraph entitled "Hong Kong" under the sub-section entitled "(ii) Taxation of Funds in their Country/Region of Formation"; and

(iii) "(iii) Taxation of Unitholders of Major Retail Distribution Countries".

REPORTS AND ACCOUNTS

For details of the reports and accounts of the Fund, please refer to the section entitled "REPORTS AND ACCOUNTS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

GENERAL

The general provisions under the section entitled "General" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to the Fund.

MANAGEMENT AND ADMINISTRATION DIRECTORY

Manager and Service Provider

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Trustee

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Directors of JPMorgan Funds (Asia) Limited

Chan, Tsun Kay, Edwin
Ebrahim, Ayaz
Leung, Kit Yee, Elka
Roberts, Ioan William
Watkins, Daniel James

Registrar

HSBC Trustee (Cayman) Limited
PO Box 484
HSBC House
68 West Bay Road
Grand Cayman KY1-1106
Cayman Islands

Investment Manager

JPMorgan Asset Management (Asia Pacific) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Auditors

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
1 Des Voeux Road Central
Hong Kong

Sub-Manager

JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London
EC4Y OJP
United Kingdom

Additional information is available from: -

JPMorgan Funds (Asia) Limited
GPO Box 11448
Hong Kong

Telephone: (852) 2265 1188
Facsimile: (852) 2868 5013

JPMorgan Global Bond Fund

INTRODUCTION

JPMorgan Global Bond Fund ("Fund") is a unit trust constituted by a Trust Deed dated 30 April, 1979, as amended from time to time ("Trust Deed") governed by the laws of Hong Kong. The Fund was authorised as a unit trust by the Securities and Futures Commission ("SFC") under the *Securities Ordinance* of Hong Kong and is now deemed to have been authorised as a collective investment scheme under Section 104 of the *Securities and Futures Ordinance* (Cap. 571 of the Laws of Hong Kong) ("SFO") and the Code on Unit Trusts and Mutual Funds ("SFC Code"). SFC authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Fund has received approval from the China Securities Regulatory Commission for offering to PRC investors and classes with the suffix "(PRC)" are available to PRC investors.

The Fund's portfolio is subject to market fluctuations and exchange rate fluctuations and to the risks inherent in all investments. Therefore, the value of the Fund and the level of distributions (if any) may go down as well as up.

FUND PARTIES

The Fund is managed by JPMorgan Funds (Asia) Limited ("Manager"), a company incorporated with limited liability under the laws of Hong Kong.

Day-to-day investment management of the Fund and the currency management of the Currency Hedged Classes have been delegated to JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited) ("Investment Manager"), a company incorporated with limited liability in Hong Kong, without any further delegation.

Bank of East Asia (Trustees) Limited acting as trustee of the Fund ("Trustee"), is incorporated with limited liability in Hong Kong. Under the Trust Deed, the Trustee is responsible for the safe-keeping of the Fund's investments.

Please refer to the section entitled "FUND PARTIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds in relation to the liabilities of each of the parties described herein.

INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS

Investment Objective and Policy

The investment policy of the Fund aims to achieve a return in excess of global bond markets by investing primarily (i.e. at least 90% of its total net asset value) in global investment grade debt securities.

Global debt securities include but are not limited to bonds, money market instruments and other debt securities which are issued by the international issuers such as government, quasi-government organizations, agencies, financial institutions, corporations, organizations or entities.

The Fund invests at least 90% of its total net asset value in global debt securities rated investment grade (rated Baa3/ BBB- or higher using the highest rating available from one of the international independent rating agencies (e.g. Moody's, Standard and Poor's, Fitch)) indirectly (through investing in collective investment schemes) or directly. The Fund may invest up to 10% of its total net asset value in global debt securities rated below investment grade (rated Ba1/BB+ or below using the highest rating available from one of the international independent rating agencies (e.g. Moody's, Standard and Poor's, Fitch)) or unrated securities indirectly (through investing in collective investment schemes) or directly. When investing in debt securities, the Investment Manager will first consider the credit rating of a debt security itself and only if such credit rating is unavailable, the Investment Manager will then consider the credit rating of its issuer, which will become the implied rating of the relevant debt security. An unrated debt security refers to a debt security which neither the debt security itself nor its issuer has a credit rating. The Fund's investment in collective investment schemes will be restricted to less than 30% of its total net asset value and such underlying schemes will either be authorised by the SFC[1] or eligible schemes in accordance with the list of recognised jurisdictions published by the SFC. The investment objective and strategy of the underlying schemes which the Fund invests in are similar to those of the Fund. Both the Fund and the underlying schemes will not use derivatives extensively and will not use derivatives primarily for investment purposes.

[1] SFC authorisation is not a recommendation or endorsement of a fund nor does it guarantee the commercial merits of the fund or its performance. It does not mean the fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Fund will not invest more than 10% of its total net asset value in PRC onshore securities (including debt securities).

The Fund will not invest more than 10% of its total net asset value in Chinese debt securities traded in the CIBM through Bond Connect.

The Fund will not invest more than 10% of its total net asset value in urban investment bonds[2] (城投債).

The Fund will not invest more than 10% of its total net asset value in asset backed securities and mortgage backed securities.

The Fund may invest up to 5% of its total net asset value in instruments with loss-absorption features (e.g. contingent convertible debt securities, certain types of senior non-preferred debts, etc.).

The Investment Manager seeks to evaluate whether environmental, social and governance factors could have a material positive or negative impact on the cash flows or risk profiles of many issuers in which the Fund may invest. These determinations may not be conclusive and securities of issuers which may be negatively impacted by such factors may be purchased and retained by the Fund while the Fund may divest or not invest in securities of issuers which may be positively impacted by such factors.

The Fund may also invest in derivatives such as options, warrants, credit default swaps ("CDS") and futures for investment purposes and may under limited circumstances (e.g. for cash management purpose) as considered appropriate by the Manager and the Investment Manager, hold temporarily up to 100% of its total net asset value in cash and cash based instruments. However, it is not the current intention of the Manager and the Investment Manager to invest in CDS for investment purposes and should this investment policy in CDS change in the future, one month's prior notice will be given to unitholders and the offering document will be updated accordingly.

Currently, the Fund does not intend to enter into securities lending arrangements, repurchase agreements, reverse repurchase agreements or other similar over-the counter transactions. Should this investment policy change in the future, one month's prior notice will be given to unitholders (if required) and the offering document will be updated accordingly.

The Fund may invest in assets denominated in currencies other than its base currency (i.e. USD). Non USD currency exposure may be hedged. The Fund will have limited Renminbi (RMB) denominated underlying investments.

The investment objective, policy and investment restrictions and guidelines of the Fund may, subject to the approval of the Trustee and/or the SFC (as applicable), vary from time to time when the Manager considers appropriate in the circumstances.

Investment Restrictions and Guidelines

The Fund may invest in anything into which a person may invest, subject to the investment restrictions as stipulated in the sub-section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds. In addition, the following investment restrictions and guidelines shall apply to the Fund as at the immediate preceding valuation:

(i) The value of the Fund's holdings in global investment grade debt securities (directly or indirectly through collective investment schemes) shall not be less than 90% of its total net asset value.

Borrowing and Leverage

For information about the borrowing and leverage of the Fund, please refer to the section entitled "Borrowing and Leverage" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Securities Financing Transactions Policy

For the securities financing transactions policy of the Fund, please refer to the section entitled "Securities Financing Transactions Policies" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

RISKS

The performance of the Fund will be affected by a number of risk factors, including the risk factors as set out in the section entitled "RISKS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

[2] Urban investment bonds are debt instruments issued by mainland China local government financing vehicles ("LGFVs"). These LGFVs are separate legal entities established by local governments and/or their affiliates to raise financing for public welfare investment or infrastructure projects.

In addition, the following risk factors are applicable to the Fund:

(i) Risks associated with debt securities – the Fund's investments in debt securities are subject to the following risks:

- Interest rates risk – Interest rates in the countries in which the Fund's assets will be invested may be subject to fluctuations. Any such fluctuations may have a direct effect on the income received by the Fund and its capital value. Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. The prices of bonds generally increase when interest rates decline and decrease when interest rates rise. Longer term bonds are usually more sensitive to interest rate changes. Given the historically low interest rate environment, risks associated with rising rates are heightened.

- Credit risk – If the issuer of any of the fixed interest securities in which the Fund's assets are invested defaults, the performance of the Fund will be negatively affected and the Fund could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the Fund. Decline in credit quality of the issuer may adversely affect the valuation of the relevant bonds and the Fund. The credit ratings assigned by credit rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or the issuer at all times. Furthermore, most emerging market fixed interest securities are not given a rating by internationally recognised credit rating agencies and subject to the "Emerging market risk" set out in the section entitled "RISKS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

- Below investment grade/lower rated or unrated investment risk – The Fund may invest in bonds and other debt securities which are unrated or rated below investment grade by international accredited rating agencies. Accordingly, such investment will be accompanied by a higher degree of credit and liquidity risk than is present with investment in higher rated securities. During economic downturns such bonds typically fall more in value than investment grade bonds as such are often subject to a higher risk of issuer default. The net asset value of the Fund may decline or be negatively affected if there is a default of any of the bonds with credit rating of below investment grade that the Fund invests in or if interest rates change.

- Investment grade bond risk – Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review such assigned ratings and bonds may therefore be downgraded in rating if economic circumstances (e.g. subject to market or other conditions) impact the relevant bond issues. Downgrading of the bonds may adversely affect the value of the relevant bonds and therefore the performance of the Fund. The Fund may or may not be able to dispose of the bonds that are downgraded. Also, the Fund may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.

- Sovereign debt risk – The Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Fund to participate in restructuring such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers.

- Valuation risk – Valuation of the Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund.

(ii) Counterparty risk for CDS – The Fund may invest in different instruments (either exchange traded or OTC derivatives) in accordance with the objectives of the Fund and as permitted by the investment restrictions. In general, there is less governmental regulation and supervision of transactions in the OTC markets than of transactions entered into on organised exchanges. Also, the OTC market may be illiquid; it might not be possible to execute a transaction at the desired time. The Fund may buy protection under CDS with or without holding the underlying assets. The Fund may also sell protection under CDS in order to acquire a specific credit exposure. The Fund will enter into CDS transactions with reputable and sound financial institutions (i.e. the counterparties) specialised in this type of transaction. The terms of the CDS transactions are governed by a master agreement entered into between the Trustee on behalf of the Fund and the counterparty. The master agreement uses the form, and incorporates certain terms laid down by the International Swaps and Derivatives Association, Inc. ("ISDA"). Also, the Fund will accept obligations upon a credit event that are within the investment policy of the Fund (please refer to the Credit event risk below). If the counterparties of the CDS transactions default, the Fund could suffer substantial losses.

(iii) Settlement risk – Settlement procedures in CDS may not be as developed and reliable as for exchange traded instruments. The creditworthiness of the counterparty trading CDS used by the Fund may not be as sound as its current credit rating, if any, implies. The Fund may be subject to a risk of loss if a counterparty defaults in the performance of its responsibilities.

Cash settlement – In general, recovery is determined by a group of dealers after the credit event, or as per the agreed method in the trade documentation, and a cash payment of par value minus recovery is made to the CDS protection buyer.

In case a credit event occurs, physical settlement may also apply if it is part of the agreed CDS terms:

Physical settlement – The CDS protection buyer can deliver the referenced obligation or one of a number of agreed deliverable obligations and receive par recovery value. The need for a pre-agreed notification period and delivery windows happens when the total notional of deliverable obligations is less than the total of CDS contracts outstanding of the reference entity. If all CDS contracts had to settle physically on the same day, there would be insufficient bonds to meet demand.

Notwithstanding the above settlement methods, the price of the underlying defaulted bonds can vary significantly during the pre-agreed notification period and delivery windows following an event of default, thereby resulting in a material difference in estimating the settlement values, and thus causing fluctuations in the Fund's net asset value.

(iv) Volatility risk for CDS – CDS may trade differently from the funded securities of the reference entity. In adverse market conditions, the basis (difference between the spread on bonds and the spread on CDS) can add significantly more volatility than holding funded securities.

(v) Credit event risk – A credit event is generally defined by ISDA among others as an event of bankruptcy, insolvency, receivership, material adverse restructuring of debt, obligation default/acceleration, debt moratorium/repudiation and/or failure to meet payment obligations when due by the CDS referenced issuer. ISDA has produced standardised documentation for these transactions under the umbrella of its ISDA Master Agreement. Given that the terms and definitions in the CDS contract may vary across each counterparty the Investment Manager deals with, the Fund may be subject to a risk of prolonged period of recovery or loss as a result.

Recovery risk – The Fund may be exposed to the risk of receiving small or zero recovery amounts as compared to the pre-agreed notional recovery.

Deliverable risk – There could be a potential mismatch of deliverables when the Investment Manager sells CDS protection on one swap and buys CDS protection on another swap with different deliverable obligations since the market conditions may not permit the Investment Manager to sell the obligations that are being delivered in an illiquid post-default market and buy the pre-agreed obligations to deliver in the other swap.

(vi) Payment of distributions out of capital risk – Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realised and unrealised capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment. As a result, the capital that the Fund has available for investment in the future and capital growth may be reduced. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value of units. Also, a high distribution yield does not imply a positive or high return on the total investment.

The distribution amount and net asset value of the Currency Hedged Class may be adversely affected by differences in the interest rates of the denominated currency of the Currency Hedged Class and the base currency of the Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-Currency Hedged Classes.

(vii) Risks related to the Eurozone sovereign debt crisis – The Fund may invest substantially in the Eurozone. In light of the ongoing fiscal conditions and concerns on the sovereign debt risk of certain countries within the Eurozone (in particular, Portugal, Ireland, Italy, Greece and Spain), the Fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. The performance of the Fund may deteriorate significantly should there be any adverse credit events (e.g. downgrade of the sovereign credit rating, obligation default, etc) of any Eurozone country or exit of members from the Eurozone.

(viii) Cross-Class liability risk – Pursuant to the Trust Deed, the Manager reserves the right to establish and issue new Classes from time to time. The net asset value of each Class will be calculated separately with particular assets and liabilities of the Fund attributable to particular Classes. Whilst different Classes may have separate accounts for internal accounting purposes, there is no legal segregation of assets and liabilities between Classes. Accordingly, the assets of one or more Classes may be used to settle liability which arises in another Class.

(ix) Class currency risk – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not RMB) and chooses to invest in the RMB Hedged Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and RMB upon the reconversion of its RMB investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in RMB. For further details, please refer to the sub-section entitled "Currency Hedged Classes" in the section entitled "Classes of Units" below.

(x) Risks of investing in other collective investment schemes – The Fund will be subject to the risks associated with the underlying collective investment schemes it invests in. The Fund does not have control of the investments of the underlying schemes and there is no assurance that the investment objective and strategy of the underlying schemes will be successfully achieved which may have a negative impact to the net asset value of the Fund.

The underlying schemes in which the Fund may invest may not be regulated by the SFC. There may be additional costs involved when investing into these underlying schemes. There is also no guarantee that the underlying schemes will always have sufficient liquidity to meet the Fund's redemption requests as and when made.

(xi) Risks associated with investments in debt instruments with loss-absorption features – Debt instruments with loss-absorption features are subject to greater risks when compared to traditional debt instruments as such instruments are typically subject to the risk of being written down or converted to ordinary shares upon the occurrence of pre-defined trigger events (e.g. when the issuer is near or at the point of non-viability or when the issuer's capital ratio falls to a specified level), which are likely to be outside of the issuer's control. Such trigger events are complex and difficult to predict and may result in a significant or total reduction in the value of such instruments.

In the event of the activation of a trigger, there may be potential price contagion and volatility to the entire asset class. Debt instruments with loss-absorption features may also be exposed to liquidity, valuation and sector concentration risk.

The Fund may invest in contingent convertible debt securities, commonly known as CoCos, which are highly complex and are of high risk. Upon the occurrence of the trigger event, CoCos may be converted into shares of the issuer (potentially at a discounted price), or may be subject to the permanent write-down to zero. Coupon payments on CoCos are discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.

The Fund may invest in certain types of senior non-preferred debts. While these instruments are generally senior to subordinated debts, they may be subject to write-down upon the occurrence of a trigger event and will no longer fall under the creditor ranking hierarchy of the issuer. This may result in total loss of principal invested.

The Fund's investments in derivative instruments, including CDS, are governed by provisions in the Explanatory Memorandum. The Investment Manager's risk management process provides the overall control framework over these derivatives.

The key risk management processes for OTC (over-the-counter) derivatives include: a) reviewing and setting-up of new OTC master trade documentation, b) approval and set up of OTC counterparties, c) new OTC instruments due diligence, d) OTC trade approval, e) monitoring of Investment Restrictions and Guidelines, f) OTC valuation process, g) monitoring of CDS credit events, and h) monitoring of OTC trades and counterparties.

In view of the above, investment in the Fund should be regarded as long term in nature. The Fund is, therefore, only suitable for investors who can afford the risks involved.

CLASSES OF UNITS

Pursuant to the Trust Deed, the Manager may decide to issue separate classes (each a "Class") whose assets will be commonly invested but where a specific fee structure, currency or distribution policy may be applied. Each Class may have a different charging structure with the result that the net asset value attributable to each Class may differ.

Currently, the following Classes are available:

Class	Class Currency
JPMorgan Global Bond (acc) - RMB (hedged)	Renminbi
JPMorgan Global Bond (san) - USD	US dollars
JPMorgan Global Bond (mth) - AUD (hedged)	Australian dollars
JPMorgan Global Bond (mth) - CAD (hedged)	Canadian dollars
JPMorgan Global Bond (mth) - HKD	HK dollars
JPMorgan Global Bond (mth) - NZD (hedged)	New Zealand dollars
JPMorgan Global Bond (mth) - RMB (hedged)	Renminbi
JPMorgan Global Bond (mth) - USD	US dollars
JPMorgan Global Bond - Class C (acc) - USD	US dollars
JPMorgan Global Bond - Class C (mth) - USD	US dollars

The Manager also has the power under the Trust Deed to cease to offer any Class (either temporarily or permanently). The Manager shall be entitled to cancel all units of a particular Class then in issue if at any time the net asset value of that Class falls below US$5 million (or its equivalent in another currency) or at any time with the sanction of an Extraordinary Resolution. In such event, the Manager shall issue to the affected unitholders units of an equivalent value of such other existing Class (if any) as the Manager may in its absolute discretion determine. Prior to such cancellation and issue of units, the Manager shall give the Trustee and all affected unitholders one month's notice (or such other notice period as required by the SFC) of its determination to cancel that Class and the new Class of units to be issued in substitution therefor (if any).

Currency Hedged Classes

For details of Currency Hedged Class of the Fund, please refer to the sections entitled "Currency Hedged Classes" and "AUD Hedged Class/CAD Hedged Class/EUR Hedged Class/GBP Hedged Class/HKD Hedged Class/NZD Hedged Class/RMB Hedged Class/SGD Hedged Class/USD Hedged Class" respectively in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

DISTRIBUTION POLICY

The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval and one month's prior notice to the relevant unitholders.

Classes with the suffix "(san)"

At least 85 per cent. of the income of JPMorgan Global Bond (san) - USD in respect of each accounting period, after charging the expenses applicable to the Class, will be distributed to unitholders of the Class. The transferee of a unit will be entitled to a distribution in respect of such unit if the Registrar has received a valid instrument of transfer (duly stamped if required) in respect of the unit and the relevant unit certificate(s) (if any) by 3:30 p.m. Hong Kong time on the last cum distribution dealing date. The subscriber of a unit shall be entitled to a distribution in respect of such unit if the application for the unit is received by the Manager by 5:00 p.m. Hong Kong time on the last cum distribution dealing date.

Distributions are made semi-annually in respect of the periods ending on 30 September and 31 March each year, provided a surplus is available on the income account. These distributions will normally be paid in November and April in each year respectively. The Manager expects to be able to pay distributions from income generated by JPMorgan Global Bond (san) - USD from its investment but in the event that such income is insufficient to pay distributions as it declares, the Manager may in its discretion determine that such distributions may be paid from capital. Please also refer to the risk factor entitled "Payment of distributions out of capital risk".

Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[#].

Classes with the suffix "(acc)"

Classes with the suffix "(acc)" are accumulation Classes and will not normally pay distributions. All income will be accumulated and reinvested within the corresponding Classes of the Fund.

[#] The website has not been reviewed by the SFC.

Other Classes

It is the intention of the Manager to have at least 85 per cent. of the income attributable to the following Class respectively in respect of each accounting period, after charging the expenses attributable to these Class respectively, to be distributed to unitholders of these Class respectively:

Class
JPMorgan Global Bond (mth) - AUD (hedged)
JPMorgan Global Bond (mth) - CAD (hedged)
JPMorgan Global Bond (mth) - HKD
JPMorgan Global Bond (mth) - NZD (hedged)
JPMorgan Global Bond (mth) - RMB (hedged)
JPMorgan Global Bond (mth) - USD
JPMorgan Global Bond - Class C (mth) - USD

It is the intention of the Manager to make distributions on a monthly basis or/and at such other time as the Manager may, with the prior approval of the Trustee, notify to unitholders. The Manager expects to be able to pay distributions from income generated by the Fund from its investment but in the event that such income is insufficient to pay distributions as it declares, the Manager may in its discretion determine that such distributions may be paid from capital. Please also refer to the risk factor entitled "Payment of distributions out of capital risk".

Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[#].

The transferee of a unit will be entitled to a distribution in respect of such unit if the Registrar has received a valid instrument of transfer (duly stamped if required) in respect of the unit by 3:30 p.m. (Hong Kong time) on the last cum distribution dealing date. The subscriber of a unit shall be entitled to a distribution in respect of such unit if the application for the unit is received by the Manager by 5:00 p.m. (Hong Kong time) on the last cum distribution dealing date.

Reinvestment of Distributions

It is the Manager's current policy to reinvest automatically any distributions in the subscription of further units, unless unitholders notify the Manager otherwise in writing and the amount of the relevant distribution equals to or exceeds US$250 (or its equivalent in another currency). Such further units will be issued on the date of distribution, or if that is not a dealing day, on the next following dealing day. No initial charge will be made on the issue of such further units. In the event that a unitholder redeems or switches its entire holding of the Fund before the actual payment date of any distributions, the Manager will redeem the reinvested units on the actual payment date and pay the redemption proceeds to the unitholder in cash if the reinvested units do not meet the relevant minimum holding requirement.

Payment of Distributions by cheque and Payment of Distributions by telegraphic transfer

For details of payment of distributions by cheque and payment of distributions by telegraphic transfer of the Fund, please refer to the sub-sections entitled "Payment of Distributions by cheque" and "Payment of Distributions by telegraphic transfer" respectively in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

BASES OF VALUATIONS

The method of establishing the net asset value of each Class is set out in the Trust Deed. The net asset value per unit of each Class is calculated by dividing the value of the assets of that Class, less its liabilities of that Class, by the total number of units of that Class in issue as at 5:00p.m. (Hong Kong time) on the immediately preceding dealing day or such other time agreed between the Manager and the Trustee. Any rounding adjustment arising in respect thereof will be retained by the relevant Class. In general, quoted investments are valued at their closing price and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Manager or a professional person engaged for this purpose. Interest and other income and liabilities are, where practicable, accrued from day to day. Such valuations will be expressed in the offering currency of the relevant Class. The Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

[#] The website has not been reviewed by the SFC.

Market volatility may result in a discrepancy between the latest available net asset value for each Class and the fair value of the assets of the relevant Class. Certain investors might exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on redemption, other unitholders may suffer a dilution in the value of their investment. As a safeguard against such exploitation, the Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the net asset value of the relevant Class or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders. It should be noted that the bases of valuations adopted by the relevant Class and the Fund may not be the same as the accounting principles generally accepted in Hong Kong. Further details are set out in the section entitled "Reports and Accounts" below.

DEALING

For details of the dealing procedure of the Fund, please refer to the section entitled "DEALING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SUBSCRIPTIONS

The Fund is denominated in US dollars.

The section entitled "SUBSCRIPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund, save that the maximum initial charge payable shall be normally up to 3 per cent. of the net asset value per unit.

Initial Issue Price

The first issue of units of the existing Classes were made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Global Bond (acc) - RMB (hedged)	RMB10.00
JPMorgan Global Bond (san) - USD	US$10.00
JPMorgan Global Bond (mth) - AUD (hedged)	AU$10.00
JPMorgan Global Bond (mth) - CAD (hedged)	CA$10.00
JPMorgan Global Bond (mth) - HKD	HK$10.00
JPMorgan Global Bond (mth) - NZD (hedged)	NZ$10.00
JPMorgan Global Bond (mth) - RMB (hedged)	RMB10.00
JPMorgan Global Bond (mth) - USD	US$10.00

In addition, the first issue of units of the following Classes will be made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Global Bond - Class C (acc) - USD	US$10.00
JPMorgan Global Bond - Class C (mth) - USD	US$10.00

REDEMPTIONS

For details of redemptions of the Fund, please refer to the section entitled "REDEMPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SWITCHING

For details on how to switch between Classes of units within the same Fund or between the Fund and other funds managed by the Manager or in respect of which the Manager acts as Hong Kong representative, please refer to the section entitled "SWITCHING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

FEES, CHARGES AND LIABILITIES

Initial and Redemption Charges

The Manager may make an initial charge for each Class (normally up to 3 per cent. of the net asset value per unit) from the gross subscription amount on the issue of units where applicable and receive a redemption charge for each Class (normally up to 0.5 per cent. of the net asset value per unit) from the redemption monies on the cancellation or redemption of units where applicable. However, the Manager does not currently levy any redemption charge.

The Manager reimburses to approved intermediaries, which include banks, brokers, recognised securities dealers and other investment advisers (collectively, "Distributors"), a proportion of the commissions, fees, charges or other benefits received by it on the value of the relevant business introduced to the Fund.

Management Fee

The Manager is entitled to receive a management fee of up to 2.5 per cent. per annum of the net asset value of each Class. However, the Manager currently receives a fee of 0.8 per cent. per annum of the net asset value of each Class other than Class C. For Class C, the Manager currently receives a fee of 0.4 per cent. per annum of the net asset value of each Class. The Manager may only increase the level of its fee (which may not exceed 2.5 per cent. per annum of each Class) by giving to the Trustee and unitholders not less than one month's notice of the increased level of management fee. This fee shall accrue daily based on the net asset value of that Class on each dealing day and shall be payable monthly in arrears. If the assets of the Fund include interests in any unit trust or other collective investment scheme managed by the Manager or its connected persons, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the relevant Class' interest in such unit trust or scheme. Where the Fund invests in any underlying scheme(s) managed by the Manager and/or the Investment Manager or any of their Connected Persons, all initial charges and redemption charges on the underlying scheme(s) shall be waived. The Manager and/or the Investment Manager of the Fund may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company.

The fees of the Investment Manager will be borne by the Manager.

Trustee Fee

The Trustee is entitled to receive a trustee fee of 0.2 per cent. per annum of the net asset value of the Fund. However, the Trustee currently receives a fee at the rate of 0.018 per cent. per annum of the Fund's net asset value. The Trustee may only increase the level of its fee (which may not exceed 0.2 per cent. per annum) with the agreement of the Manager and by giving to the unitholders not less than one month's notice of the increased level of trustee fee. The trustee fee shall accrue daily based on the net asset value of the Fund on each dealing day and shall be payable monthly in arrears.

For details of the current fees and charges in respect of dealings made through any other channels from time to time specified by JPMorgan Funds (Asia) Limited, please consult JPMorgan Funds (Asia) Limited.

Fiscal Charges

For details of the fiscal charges policy of the Fund, please refer to the sub-section entitled "Fiscal Charge" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Other Liabilities

Save for the cost of establishing the Fund, details under the sub-section entitled "Other Liabilities" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

There are no unamortised establishment costs outstanding relating to this Fund.

CONFLICTS OF INTEREST

For details of the Manager's current policy on conflicts of interest, please refer to the section entitled "CONFLICTS OF INTEREST" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

TAXATION

The following sub-sections under Section D – TAX NOTES of the Consolidated Explanatory Memoranda apply to the Fund:

(i) "(i) General"; and

(ii) "(iii) Taxation of Unitholders".

In addition, the following is also applicable to the Fund:

Hong Kong

The Fund was authorised under Section 15 of the *Securities Ordinance* of Hong Kong and is now deemed to have been authorised under Section 104 of the *SFO* of Hong Kong. Therefore, any Hong Kong sourced income it derives will be exempt from Hong Kong profits tax provided the Fund is carried on in accordance with the purposes stated in its constitutive documents as approved by the SFC and in accordance with the requirements of the SFC.

REPORTS AND ACCOUNTS

For details of the reports and accounts of the Fund, please refer to the section entitled "REPORTS AND ACCOUNTS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

GENERAL

The general provisions under the section entitled "GENERAL" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

MANAGEMENT AND ADMINISTRATION DIRECTORY

Manager and Service Provider

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Directors of JPMorgan Funds (Asia) Limited

Chan, Tsun Kay, Edwin
Ebrahim, Ayaz
Leung, Kit Yee, Elka
Roberts, Ioan William
Watkins, Daniel James

Investment Manager

JPMorgan Asset Management (Asia Pacific) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Trustee

Bank of East Asia (Trustees) Limited
32/F, BEA Tower
Millennium City 5
418 Kwun Tong Road
Kwun Tong
Kowloon
Hong Kong

Registrar

East Asia International Trustees Limited
East Asia Chambers
PO Box 901
Road Town
Tortola
British Virgin Islands

Auditors

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
1 Des Voeux Road Central
Hong Kong

Additional information is available from: -

JPMorgan Funds (Asia) Limited
GPO Box 11448
Hong Kong

Telephone: (852) 2265 1188
Facsimile: (852) 2868 5013

JPMorgan Money Fund

INTRODUCTION

JPMorgan Money Fund ("Fund") is a unit trust constituted by a Trust Deed dated 13 June, 1983, as amended from time to time ("Trust Deed") governed by the laws of Hong Kong. The Fund was authorised by the Securities and Futures Commission ("SFC") under the *Securities Ordinance* of Hong Kong and is now deemed to have been authorised as a collective investment scheme under Section 104 of the *Securities and Futures Ordinance* (Cap. 571 of the Laws of Hong Kong) ("SFO") and the Code on Unit Trusts and Mutual Funds ("SFC Code"). SFC authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors. The Fund is not subject to the supervision of the Hong Kong Monetary Authority. It should be appreciated that the subscription of units in the Fund is not the same as making a deposit with a bank or deposit taking company and the Manager's obligation is limited to redeem unitholder's units at the relevant net asset value per unit, which may be different from the price at which units were purchased by such unitholder.

The Fund is a unit trust currently comprising the HK$ portfolio ("Portfolio").

FUND PARTIES

The Fund is managed by JPMorgan Funds (Asia) Limited ("Manager"), a company incorporated with limited liability under the laws of Hong Kong.

Day-to-day investment management of the Fund has been delegated to JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited) ("Investment Manager"), a company incorporated with limited liability in Hong Kong.

Bank of East Asia (Trustees) Limited acting as trustee of the Fund ("Trustee"), is incorporated with limited liability in Hong Kong. Under the Trust Deed, the Trustee is responsible for the safe-keeping of the Fund's investments.

Please refer to the section entitled "FUND PARTIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds in relation to the liabilities of each of the parties described herein.

INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS

Investment Objective and Policy

The purpose of the Portfolio is to provide an efficient vehicle for holding liquid assets currently denominated in the currency of Hong Kong by investing in short-term deposits and high quality money market instruments. The Manager will aim to secure long-term capital growth.

In order to minimise such risks to capital, the Manager will invest funds solely in short-term deposits and high quality money market instruments with unexpired maturities of less than 397 days (or two years in the case of public sector investments). The weighted average maturity of the Portfolio's deposits and other investments will not exceed 60 days and the weighted average life of the Portfolio will not exceed 120 days. In selecting investments, the Manager will seek the highest interest rates available from deposits and short-term instruments of issuers considered by it to be of high standing.

The Portfolio may invest up to 15% of its total net asset value in asset-backed securities.

The Manager will normally avoid deposits and other investments denominated in currencies where withholding taxes would be applied. Deposits will be made only with financial institutions considered by the Manager to be of undoubted reputation and standing in the financial community.

The Portfolio will only invest in money market instruments and asset-backed securities which are rated investment grade by recognized rating agency such as Moody's, Standard and Poor's, Fitch at the time of purchase or, in the opinion of the Manager, are of comparable quality. Such money market instruments are defined as securities normally dealt in the money markets, for example, government bills, certificates of deposit, commercial papers, short-term notes and bankers' acceptances, etc. The Manager may also, with the approval of the Trustee, select other similar instruments.

The Investment Manager seeks to evaluate whether environmental, social and governance factors could have a material positive or negative impact on the cash flows or risk profiles of many issuers in which the Portfolio may invest. These determinations may not be conclusive and securities of issuers which may be negatively impacted by such factors may be purchased and retained by the Portfolio while the Portfolio may divest or not invest in securities of issuers which may be positively impacted by such factors.

The Portfolio is, of course, subject to market fluctuations and to the risks inherent in all investments. Therefore, the price of units may go down as well as up.

The investment objective, policy and investment restrictions and guidelines of the Fund may, subject to the approval of the Trustee and/or the SFC (as applicable), vary from time to time when the Manager considers appropriate in the circumstances.

Investment Restrictions and Guidelines

The Manager shall ensure that the core requirements as set out in paragraphs 1, 2, 4, 5 and 6 of the sub-section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply with the following modifications, exemptions or additional requirements:-

(i) subject to the provisions set out below, the Portfolio may only invest in short-term deposits and high quality money market instruments (i.e. securities normally dealt in on the money markets including but not limited to government bills, certificates of deposit, commercial papers, short-term notes, bankers' acceptances, asset-backed securities such as asset-backed commercial papers), and money market funds that are authorised by the SFC under Chapter 8.2 of the SFC Code or regulated in a manner generally comparable with the requirements of the SFC and acceptable to the SFC;

(ii) the Portfolio shall maintain a portfolio with weighted average maturity not exceeding 60 days and a weighted average life not exceeding 120 days and must not purchase an instrument with a remaining maturity of more than 397 days (or two years in the case of Government and other public securities). For the purposes herein:

(a) "weighted average maturity" is a measure of the average length of time to maturity of all the underlying securities in the Portfolio weighted to reflect the relative holdings in each instrument; and is used to measure the sensitivity of the Portfolio to changing money market interest rates; and

(b) "weighted average life" is the weighted average of the remaining life of each security held in the Portfolio,

provided that the use of interest rate resets in variable-notes or variable-rate notes generally should not be permitted to shorten the maturity of a security for the purpose of calculating weighted average life, but may be permitted for the purpose of calculating weighted average maturity;

(iii) notwithstanding sub-paragraphs 1(a) and 1(c) of the sub-section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds, the aggregate value of the Portfolio's holding of instruments issued by a single entity, together with any deposits held with that same issuer may not exceed 10% of the total net asset value of the Portfolio except:-

(a) the value of the Portfolio's holding of instruments and deposits issued by a single entity may be increased to 25% of the total net asset value of the Portfolio if the entity is a substantial financial institution, provided that the total value of such holding does not exceed 10% of the entity's share capital and non-distributable capital reserves; or

(b) up to 30% of the Portfolio's total net asset value may be invested in Government and other public securities of the same issue; or

(c) in respect of any deposit of less than US$1,000,000 or its equivalent in the base currency of the Portfolio where the Portfolio cannot otherwise diversify as a result of its size;

(iv) notwithstanding sub-paragraphs 1(b) and 1(c) of the sub-section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds, the aggregate value of the Portfolio's investments in entities within the same group through instruments and deposits may not exceed 20% of its total net asset value provided that:

(a) the aforesaid limit will not apply in respect of cash deposit of less than US$ 1,000,000 or its equivalent in the base currency of the Portfolio, where it cannot otherwise diversify as a result of its size;

(b) where the entity is a substantial financial institution and the total amount does not exceed 10% of the entity's share capital and non-distributable capital reserves, the limit may be increased to 25%;

(v) the value of the Portfolio's holding of money market funds that are authorised under Chapter 8.2 of the SFC Code or regulated in a manner generally comparable with the requirements of the SFC and acceptable to the SFC may not in aggregate exceed 10% of its total net asset value;

(vi) the value of the Portfolio's holding of investments in the form of asset-backed securities may not exceed 15% of its total net asset value;

(vii) subject to paragraphs 5 and 6 of the sub-section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds, the Portfolio may engage in sale and repurchase transactions, and reverse repurchase transactions in compliance with the following additional requirements:

(a) the amount of cash received by the Portfolio under sale and repurchase transactions may not in aggregate exceed 10% of its total net asset value;

(b) the aggregate amount of cash provided to the same counterparty in reverse repurchase agreements may not exceed 15% of the total net asset value of the Portfolio;

(c) collateral received may only be cash, high quality money market instruments and may also include, in the case of reverse repurchase transactions, government securities receiving a favourable assessment on credit quality; and

(d) the holding of collateral, together with other investments of the Portfolio, must not contravene the investment limitations and requirements set out in the other provisions in this section entitled "Investment Restrictions and Guidelines";

(viii) the Portfolio may use financial derivative instruments for hedging purposes only;

(ix) the currency risk of the Portfolio should be appropriately managed and any material currency risk that arises from investments of the Portfolio that are not denominated in its base currency shall be appropriately hedged;

(x) the Portfolio must hold at least 7.5% of its total net asset value in daily liquid assets and at least 15% of its total net asset value in weekly liquid assets. For the purposes herein:

(a) daily liquid assets refers to (i) cash; (ii) instruments or securities convertible into cash (whether by maturity or through exercise of a demand feature) within one Business Day; and (iii) amount receivable and due unconditionally within one Business Day on pending sales of portfolio securities; and

(b) weekly liquid assets refers to (i) cash; (ii) instruments or securities convertible into cash (whether by maturity or through exercise of a demand feature) within five Business Days; and (iii) amount receivable and due unconditionally within five Business Days on pending sales of portfolio securities.

Where a breach of any of the above investment limits occurs, the Manager and Investment Manager will as a priority objective within a reasonable period of time take all steps as are necessary to remedy the situation taking due account of the interests of unitholders.

Borrowing and Leverage

The expected maximum level of leverage of the Portfolio is as follows:

Borrowing Policies

The Portfolio may borrow only on a temporary basis for the purposes of meeting redemption requests or defraying operating expenses. No borrowing shall be made in respect of the Portfolio which would result in the principal amount for the time being of all borrowings made for the account of the Portfolio exceeding an amount equal to 10% of the total net asset value of the Portfolio provided always that back-to-back loans do not count as borrowing. For the avoidance of doubt, securities lending transactions and sale and repurchase transactions in compliance with the requirements as set out in sub-paragraphs 5.1 to 5.4 of the sub-section "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds are not borrowings for the purpose of, and are not subject to the limitations in this paragraph. The Portfolio's assets may be charged or pledged as security for any such borrowings.

The Portfolio may borrow money from its Trustee, the Manager or any of their Connected Persons provided that the lender is permitted to lend money and the interest and any fee is no higher than an arm's length commercial rate or fee for a loan of the same size and nature.

Leverage from the use of financial derivative instruments

The Portfolio will not use financial derivative for any purposes.

Securities Financing Transactions Policy

For the securities financing transactions policy of the Fund, please refer to the section entitled "Securities Financing Transactions Policies" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

RISKS

The performance of the Fund will be affected by a number of risk factors, including the risk factors as set out in the section entitled "RISKS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

In addition, the following risk factor is applicable to the Fund:

(i) Risks associated with debt securities – the Fund's investments in debt securities are subject to the following risks:

- Interest rates risk – Interest rates in the countries in which the Fund's assets will be invested may be subject to fluctuations. Any such fluctuations may have a direct effect on the income received by the Fund and its capital value. Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. The prices of bonds generally increase when interest rates decline and decrease when interest rates rise. Longer term bonds are usually more sensitive to interest rate changes. Given the historically low interest rate environment, risks associated with rising rates are heightened. The performance of the Fund may therefore be adversely affected.

- Credit risk – If the issuer of any of the securities in which the Fund's assets are invested defaults, the performance of the Fund will be adversely affected and the Fund could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the Fund. Decline in credit quality of the issuer may adversely affect the valuation of the relevant bonds and the Fund. The credit ratings assigned by credit rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or the issuer at all times.

- Investment grade bond risk – Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review such assigned ratings and bonds may therefore be downgraded in rating if economic circumstances (e.g. subject to market or other conditions) impact the relevant bond issues. Downgrading of the bonds may adversely affect the value of the relevant bonds and therefore the performance of the Fund. The Fund may or may not be able to dispose of the bonds that are downgraded. Also, the Fund may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.

- Sovereign debt risk – The Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Fund to participate in restructuring such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers.

- Valuation risk – Valuation of the Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund.

(ii) Risk related to money fund – Investment in the Fund is not the same as placing funds on deposit with a bank or deposit-taking institution. The Manager has no obligation to redeem units at the issue price and the Fund is not subject to the supervision of the Hong Kong Monetary Authority.

(iii) Risk related to amortised cost method – Certain debt investments of the Portfolio are valuated using the amortised cost valuation method as described in the sub-section of "Amortised Cost Method of Valuation" below, regardless of the impact of fluctuating interest rates on the market value of the security or instrument. The accuracy of the amortised cost method of valuation can be lowered by changes in market interest rates and the credit standing of issuers of the Portfolio's debt investments. Sudden movements in interest rates or credit concerns may cause material deviations between the market value of a debt investment and the value calculated using the amortised cost method. The use of amortised cost method may create opacity for investors regarding the actual net asset value of the assets held by the Portfolio. Whilst this method provides certainty in valuation, it may result in periods during which the value of the debt investment, as determined by the amortised cost method of valuation, is higher or lower than the price the Portfolio would receive if the security was sold. During such periods, the daily fluctuation in value of the Units in the Portfolio may differ somewhat from an identical computation made by a fund with identical investments utilising available indications as to market value in order to value its portfolio securities. Where the value of a debt investment as determined by the amortised cost method of valuation is higher than the market price of such security and an investor redeems at a redemption price calculated on the basis of such amortised cost value, the Portfolio may be left with a portfolio of assets whose value is much lower than the market price of the relevant securities. The remaining unitholders may therefore be worse off.

DISTRIBUTION POLICY

Although the Manager may at its discretion make both interim and final distributions out of the Portfolio to unitholders in respect of each accounting period, it is the intention of the Manager that the income of the Portfolio will be retained for reinvestment.

BASES OF VALUATIONS

The method of establishing the value of the Portfolio's net assets is set out in the Trust Deed.

Cash, deposits and similar investments of the Portfolio will be valued at their face value, together with accrued but unpaid interest.

Debt investments of the Portfolio with a residual maturity exceeding 90 days will be valued at closing price on relevant dealing day. Debt investments of the Portfolio with a residual maturity of 90 days or less at the time of purchase will be valued using the amortised cost method, whereby the investments are valued at cost and adjusted to account for the amortisation of premiums or discounts over the remaining life of such debt investments. For debt investments being held by the Portfolio and turning to have a residual maturity of 90 days, such debt investments will begin to be valued using the amortised cost method, whereby their closing price on the dealing day immediately before the investments turned 90 days to maturity will be used as the basis and adjusted for the amortisation of premiums or discounts over the investments' remaining life. The Manager may, with due care, skill and diligence and in consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

Market volatility may result in a discrepancy between the latest available net asset value of the Portfolio and the fair value of the assets of the Portfolio. The Manager may, with due care, skill and diligence and in consultation with the Trustee, adjust the net asset value of the Portfolio or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders. It should be noted that the bases of valuations adopted by the Portfolio may not be the same as the accounting principles generally accepted in Hong Kong. Further details are set out in the section entitled "REPORTS AND ACCOUNTS" below.

Amortised Cost Method of Valuation

The valuation of the Portfolio's debt investments at their amortised cost under the valuation basis described above instead of fair value as required under the accounting standards adopted for the Portfolio ("accounting standards") may lead to a different valuation had the valuation been performed in accordance with the accounting standards. The Manager will source the latest available fair value of the debt instruments and compare it with the value of debt instruments using amortised cost method. The Manager will take corrective actions if any material differences were identified in order to ensure that there is no material discrepancy between the latest available fair value of the debt instruments held by the Portfolio and the value calculated according to amortised cost method. In the event that such discrepancy is material, the Manager, in consultation with the Trustee, may make necessary adjustments in the annual financial statements for the financial statements to be aligned with the accounting standards.

Where an amortised cost valuation method is utilised, the Manager will carry out a daily review of discrepancies between the latest available fair value of the debt instruments and the amortised cost value of such debt instruments. Escalation procedures have been put in place by the Manager to ensure that if the discrepancies between the latest available fair value of the debt instruments and the amortised cost value of such debt instruments exceeds 0.1% at the Portfolio level, the Manager will, after consideration of the market situation and the causes/nature of the pricing discrepancies, take corrective actions promptly to adjust the Portfolio such as disposal of the debt instruments with material pricing discrepancies in a manner that is in the best interest of unitholders, or if disposal of such debt instruments is not viable or applicable and the discrepancies become more material and persistent, the Manager may consider, in consultation with the Trustee, to use the latest available fair value of debt instruments to calculate the net asset value of the Portfolio.

The Manager will monitor the use of the amortised cost method of valuation in order to ensure that this method continues to be in the best interest of the unitholders and to provide a fair valuation of the debt investments of the Portfolio.

DEALING

Save for the procedures on issuance and redemption of units, the dealing procedures under the section entitled "DEALING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

The procedures on issuance and redemption of units which apply to this Fund are set out below.

Units will normally be issued or redeemed on every dealing day. The Manager will determine the dealing day for the Portfolio, which will usually be every day (other than a Saturday or a Sunday or a Hong Kong public holiday) on which banks are open for normal banking business in Hong Kong. Applications for units will only be effected after the Manager has received confirmation from its bankers that cleared purchase funds in the currency of the Portfolio have been received.

Where subscriptions are made in HK$ and confirmation of receipt of cleared purchase funds is received by the Manager on or before 5:00 p.m. (Hong Kong time) on any dealing day (or such other time agreed between the Manager and the Trustee), applications will normally be effected on that dealing day. Where confirmation of receipt of cleared purchase funds is received by the Manager after 5:00 p.m. (Hong Kong time) on any dealing day (or such other time agreed between the Manager and the Trustee), applications will normally be effected on the immediately following dealing day.

In order for units to be redeemed on any particular dealing day, the redemption request must be received by the Manager not later than 5:00 p.m. (Hong Kong time) on that dealing day ("Dealing Deadline") or such other time agreed between the Manager and the Trustee. Redemption requests received after the Dealing Deadline will be dealt with on the immediately following dealing day. The Manager may change the Dealing Deadline by which redemption requests must be received in order to be effected on any particular dealing day.

SUBSCRIPTIONS

The Manager has absolute discretion to accept or reject in whole or in part any application for units.

Issue of Units

The first issue of units was made on 16 June, 1983, at a price of US$10.00 per unit, excluding the initial charge. With effect from 7 April, 1988 units were divided into classes (known as portfolios) according to the currency in which they were denominated. Currently, only the HK$ portfolio is an available class.

All units in existence before the creation of the different portfolios were denominated in HK$. After 7 April, 1988, these units continued to be denominated in HK$, and became linked to the Portfolio.

With effect from 6 November, 1995, the issue price of the Portfolio as at that date was adjusted to HK$100.

The Trust Deed permits the Manager to make a variable initial charge of normally up to 5 per cent. of the net asset value per unit from the gross subscription amount on the issue of units of the Fund where applicable. The initial charge will be retained by the Manager for its own benefit and use and may be reimbursed in whole or in part to any agent or intermediary through whom any application is received. However, the Manager does not currently levy any initial charge.

The Manager may also charge to the applicant and deduct from subscription monies any additional expenses incurred in the issue of units to persons outside Hong Kong and the costs of converting into the denominated currency subscription monies received in any other currency.

For applicants who subscribe units of a Fund by the number of units, initial charge amount is calculated as follows: initial charge amount = units allotted x net asset value per unit x initial charge %

For applicants who subscribe units of a Fund by amount, initial charge amount is calculated as follows: initial charge amount = gross subscription amount x initial charge % / (1 + initial charge %)

The initial charge amount shall be rounded down to two decimal places or to the nearest unit of currency if the amount is in Japanese Yen and the number of units allotted to the applicant shall be naturally rounded to three decimal places. Where the number of units is rounded up, the amount corresponding to rounding shall accrue to the applicant. Where the number of units is rounded down, the amount corresponding to rounding shall accrue to the Fund.

In addition to issuing and arranging the cancellation of units, the Manager may deal in units for its own account. In particular, subscribers for units may be transferred units belonging to the Manager (or companies associated with it) at a price not greater than the price at which such units would have been issued on the relevant dealing day.

The rate of conversion may be at the prevailing market rate as determined by the Manager on the dealing day. An applicant may be affected unfavorably by fluctuations in exchange rates between these currencies.

Procedure for Application and Evidence of Identity – Anti-Money Laundering

For details of the procedure for application for units of the Fund and procedure relating to evidence of identity, please refer to the sections entitled "SUBSCRIPTIONS – Procedure for Application" and "SUBSCRIPTIONS – Evidence of Identity – Anti-Money Laundering" respectively in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

REDEMPTIONS

Redemption of Units

Under the Trust Deed, the Manager is, subject as mentioned below, obliged to accept requests for redemption of units by purchasing such units, or by arranging for their cancellation, on dealing days.

The Trust Deed permits the Manager to deduct a redemption charge (normally up to 0.5 per cent. of the net asset value per unit) from the redemption monies on the redemption of units of the Fund where applicable. The Manager may retain the amount of any redemption charge for its own benefit and use. However, the Manager does not currently levy any redemption charge.

For unitholders who redeem units of a Fund by the number of units, redemption charge amount is calculated as follows: redemption charge amount = units redeemed x net asset value per unit x redemption charge %

For unitholders who redeem units of a Fund by amount, redemption charge amount is calculated as follows: redemption charge amount = net redemption amount x redemption charge % / (1 – redemption charge %)

The redemption charge amount shall be rounded down to two decimal places or to the nearest unit of currency if the amount is in Japanese Yen and the amount of redemption monies shall be naturally rounded to two decimal places or to the nearest unit of currency if the amount is in Japanese Yen. Where the amount of redemption monies is rounded up, the amount corresponding to rounding shall accrue to the redeeming unitholder. Where the amount of redemption monies is rounded down, the amount corresponding to rounding shall accrue to the Fund.

Procedure for Redemption

Requests for the redemption of units should be made by facsimile or other written or electronic form specified by the Manager stating the number of units or an amount in HK$ or other currency to be redeemed. The Manager may also agree to accept redemption requests over the telephone, subject to certain conditions.

Partial redemptions of holdings in the Portfolio are permitted, provided that they do not result in a unitholding with an aggregate value of less than normally US$2,000, or its equivalent in another currency, after the request had been processed. If a redemption or switch request results in a holding below the minimum investment amount after the request had been processed, the Manager may, at its absolute discretion, treat the switch or redemption request as an instruction to redeem or switch, as appropriate, the total holding in the Portfolio.

For partial redemptions of holdings in the Portfolio through any other channels from time to time specified by JPMorgan Funds (Asia) Limited, investors should consult JPMorgan Funds (Asia) Limited to find out the minimum holding after redemption that is applicable to them.

The redemption monies payable will be expressed in the denominated currency of the Portfolio and payment will normally be made in that currency. Arrangements can be made for unitholders to receive payment in any other freely convertible currency. Unitholders are advised to contact the Manager for details of such arrangements. In such cases, the Manager will charge the applicant the costs of conversion from the denominated currency of the Portfolio, which may be at the prevailing market rate as determined by the Manager on the dealing day. Any exchange costs will be deducted from the redemption monies. An applicant may be affected unfavorably by fluctuations in exchange rates between these currencies.

The amount due on the redemption of units will normally be paid within three business days and in any event not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require. Failure to provide such information may delay the payment of redemption proceeds. Payment will normally be made by telegraphic transfer where the unitholder has provided payment details for this purpose. Unitholders may be liable for any bank charges on payment by telegraphic transfer. Where the unitholder has not provided bank payment details or where the redemption amount is less than US$1,000 (or its equivalent in another currency), redemption proceeds will normally be paid by cheque, posted at the risk of the unitholder. No third party payments will be made.

Suspension of Redemptions

For details of the Manager's current policy on suspension of redemptions of the Portfolio, please refer to the section entitled "REDEMPTIONS – Suspension of Redemptions" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SWITCHING

For details on how to switch between the Fund and other funds managed by the Manager or in respect of which the Manager acts as Hong Kong representative, please refer to the section entitled "SWITCHING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

FEES, CHARGES AND LIABILITIES

Initial and Redemption Charges

As stated above, the Manager may make a variable initial charge (normally up to 5 per cent. of the net asset value per unit) from the gross subscription amount on the issue of units where applicable and receive a redemption charge (normally up to 0.5 per cent. of the net asset value per unit) from the redemption monies on the cancellation or redemption of units where applicable. However, the Manager does not currently levy such initial and redemption charges.

Management Fee

The Manager is entitled under the Trust Deed to a management fee at the rate of 2.0 per cent. per annum of the net assets of the Portfolio. However, the Manager currently receives a fee of 0.25 per cent. per annum of the net asset value of the Portfolio and may only increase the level of its fee (which may not exceed 2.0 per cent. per annum) by giving the Trustee and the unitholders not less than one month's notice of the increased level of management fee. The management fee shall accrue daily based on the net asset value of the Portfolio on each dealing day and shall be payable monthly in arrears. If the assets of the Portfolio include interests in any unit trust or other collective investment scheme managed by the Manager or its connected persons, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the Portfolio's interest in such unit trust or scheme. Where the Portfolio invests in any underlying scheme(s) managed by the Manager and/or the Investment Manager or any of their Connected Persons, all initial charges and redemption charges on the underlying scheme(s) shall be waived. The Manager and/or the Investment Manager of the Portfolio may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company.

The fees of the Investment Manager will be borne by the Manager.

Trustee Fee

The Trustee is entitled to receive a trustee fee of 0.1 per cent. per annum of the net asset value of the Portfolio. However, the Trustee currently receives a fee at the rate of 0.018 per cent. per annum of the Portfolio's net asset value. The Trustee may only increase the level of its fee (which may not exceed 0.1 per cent. per annum) with the agreement of the Manager and by giving to the unitholders not less than one month's notice of the increased level of trustee fee. The trustee fee shall accrue daily based on the net asset value of the Portfolio on each dealing day and shall be payable monthly in arrears.

For details of the current fees and charges in respect of dealings made through any other channels from time to time specified by JPMorgan Funds (Asia) Limited, please consult JPMorgan Funds (Asia) Limited.

Fiscal Charges

For details of the fiscal charges policy of the Fund, please refer to the sub-section entitled "Fiscal Charges" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Other Liabilities

In addition to the fees and charges mentioned above, the Fund bears other costs and expenses, including stamp duties, taxes, brokerage, commissions, foreign exchange costs, bank charges and registration fees relating to the Fund and its investments, the costs of obtaining and maintaining a listing for the units on any stock exchange, the fees and expenses of the Auditors, the Registrar, the custodian(s) of the Fund's investments, the costs of preparing the Trust Deed and any supplemental trust deeds and legal and other professional or expert charges and certain other fees and expenses incurred in the administration of the Fund. The Registrar currently receives a fee at the rate of 0.075 per cent. per annum of the net asset value of the Portfolio. The Registrar fee shall accrue daily based on the net asset value of the Portfolio on each dealing day and shall be payable quarterly in arrears.

The Fund is also responsible for the costs of preparing, printing and distributing all statements, accounts, reports and notices pursuant to the provisions of or otherwise in connection with the Trust Deed (including the expenses of preparing and printing any updates to its Explanatory Memorandum or publishing the net asset value per unit) and, where agreed with the Manager, including the aforesaid costs incurred by any distributors appointed in respect of the Fund. Additionally, the Fund bears all costs incurred as a result of a change in law or regulatory requirement or the introduction of any new law or regulatory requirement (including any costs incurred as a result of compliance with any code relating to unit trusts or collective investment schemes, whether or not having the force of law).

There are no unamortised establishment costs outstanding relating to this Fund.

The liability of the unitholders is limited to their investments in the Fund.

CONFLICTS OF INTEREST

For details of the Manager's current policy on conflicts of interest, please refer to the section entitled "CONFLICTS OF INTEREST" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

TAXATION

The following sub-sections under Section D – TAX NOTES of the Consolidated Explanatory Memoranda apply to the Fund:

(i) "(i) General"; and

(ii) "(iii) Taxation of Unitholders".

In addition, the following is also applicable to the Fund:

Hong Kong

The Fund was authorised under Section 15 of the Securities Ordinance of Hong Kong and is now deemed to have been authorised under Section 104 of the SFO. Therefore, any Hong Kong sourced income it derives will be exempt from Hong Kong profits tax provided the Fund is carried on in accordance with the purposes stated in its constitutive documents as approved by the SFC and in accordance with the requirements of the SFC.

REPORTS AND ACCOUNTS

For details of the reports and accounts of the Fund, please refer to the section entitled "REPORTS AND ACCOUNTS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

GENERAL

Save for the provision on "Duration of the Funds", the general provisions under the section entitled "GENERAL" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

The provision on "Duration of the Fund" which applies to this Fund is set out below.

Duration of the Fund

Unless previously terminated, the Fund will terminate automatically on the date immediately preceding the eightieth anniversary of the date of the Trust Deed. Either the Manager or the Trustee may, in certain circumstances, terminate the Fund at any time. Such circumstances include the passing of any law which renders it illegal to continue the Fund or, in the opinion of the Manager, impracticable or inadvisable to continue the Fund or where the aggregate net asset value of all units in issue of the Fund or in the Portfolio falls below US$10,000,000 or its equivalent in another currency or where the Manager (with the approval of the Trustee) considers termination of the Fund is in the best interest of unitholders. The Fund may also be terminated by Extraordinary Resolution of the unitholders at any time.

Any unclaimed proceeds or other cash held by the Trustee upon termination of a Fund may at the expiration of twelve months from the date upon which the same were payable be paid into a court of competent jurisdiction subject to the right of the Trustee to deduct therefrom any expenses it may incur in making such payment.

MANAGEMENT AND ADMINISTRATION DIRECTORY

Manager and Service Provider

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Trustee

Bank of East Asia (Trustees) Limited
32/F, BEA Tower
Millennium City 5
418 Kwun Tong Road
Kwun Tong
Kowloon
Hong Kong

Directors of JPMorgan Funds (Asia) Limited

Chan, Tsun Kay, Edwin
Ebrahim, Ayaz
Leung, Kit Yee, Elka
Roberts, Ioan William
Watkins, Daniel James

Registrar

East Asia International Trustees Limited
East Asia Chambers
PO Box 901
Road Town, Tortola
British Virgin Islands

Investment Manager

JPMorgan Asset Management (Asia Pacific) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Auditors

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
1 Des Voeux Road Central
Hong Kong

Additional information is available from: -

JPMorgan Funds (Asia) Limited
GPO Box 11448
Hong Kong

Telephone: (852) 2265 1188
Facsimile: (852) 2868 5013

SECTION C – EXPLANATORY MEMORANDA OF OTHER FUNDS

JPMorgan Asia Growth Fund

INTRODUCTION

JPMorgan Asia Growth Fund ("Fund") is a unit trust constituted by a Trust Deed dated 11 May 2007, as amended from time to time ("Trust Deed") governed by the laws of Hong Kong. The Fund has been authorised as a collective investment scheme in the form of a unit trust by the Securities and Futures Commission ("SFC") under Section 104 of the *Securities and Futures Ordinance* (Cap. 571 of the Laws of Hong Kong) ("SFO") and the Code on Unit Trusts and Mutual Funds ("SFC Code"). SFC authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Fund has received approval from the China Securities Regulatory Commission for offering to PRC investors and classes with the suffix "(PRC)" are available to PRC investors.

The Fund's portfolio is subject to market fluctuations and exchange rate fluctuations and to the risks inherent in all investments. Therefore, the value of the Fund and the level of distributions (if any) may go down as well as up.

FUND PARTIES

The Fund is managed by JPMorgan Funds (Asia) Limited ("Manager"), a company incorporated with limited liability under the laws of Hong Kong.

The investment management of the Fund has been delegated to JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited) ("Investment Manager"), a company incorporated with limited liability in Hong Kong.

HSBC Institutional Trust Services (Asia) Limited acting as trustee of the Fund ("Trustee"), is incorporated in Hong Kong and is registered as a trust company under the Trustee Ordinance in Hong Kong. The Trustee is an indirect wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. Under the Trust Deed, the Trustee is responsible for the safe-keeping of the Fund's investments. The HSBC Group has adopted a policy of compliance with the sanctions issued by The Office of Foreign Assets Control of the US Department of the Treasury.

Please refer to the section entitled "FUND PARTIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds in relation to the liabilities of each of the parties described herein.

HSBC Trustee (Cayman) Limited is the registrar of the Fund ("Registrar") and is incorporated with limited liability in the Cayman Islands. The Registrar is responsible for keeping the register of unitholders.

INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS

Investment Objective and Policy

The investment objective of the Fund is to provide investors with long-term capital appreciation by investing at least 70% of its total net asset value in equity securities of companies whose predominant business will benefit from, or is related to, the growth in Asian economies. The Fund may invest up to 30% of its total net asset value in equity securities of companies in non-Asian countries. The Fund may also invest up to 10% of its total net asset value in non-equity securities in any countries.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

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.

The Fund's aggregate exposure (direct and indirect) to China A-Shares and B-Shares may not exceed 10% of its total net asset value and should this investment policy in China A-Shares and/or B-Shares change in the future, one month's prior notice will be given to unitholders and the offering document will be updated accordingly.

The Fund may also invest in derivatives such as options, warrants and futures for investment purposes.

The Fund will have limited Renminbi (RMB) denominated underlying investments.

The investment objective, policy and investment restrictions and guidelines of the Fund may, subject to the approval of the Trustee and/or the SFC (as applicable), vary from time to time where the Manager considers appropriate in the circumstances. For example, the Manager may exercise this right following the relaxation or tightening of relevant regulations, and such variations will be effective as per the changes in the relevant regulations without further notice to the investors, and the offering document and constitutive documents (where applicable) of the Fund will be updated as soon as practicable.

Investment Restrictions and Guidelines

The Fund may invest in anything into which a person may invest, subject to the following investment restrictions as stipulated in the section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

In addition, the value of the Fund's holding of equity securities of companies in Asian economies shall not be less than 70 per cent. of its total net asset value.

Borrowing and Leverage

For information about the borrowing and leverage of the Fund, please refer to the section entitled "Borrowing and Leverage" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Securities Financing Transactions Policy

For details of the securities financing transactions policy of the Fund, please refer to the section entitled" Securities Financing Transactions Policies" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

RISKS

The performance of the Fund will be affected by a number of risk factors, including the risk factors as set out in the section entitled "RISKS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

In addition, the following risk factors are applicable to the Fund:

(i) Class currency risk – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not RMB) and chooses to invest in the RMB Hedged Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and RMB upon the reconversion of its RMB investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in RMB. For further details, please refer to the sub-section entitled "Currency Hedged Classes" in the section entitled "Classes of Units" below.

In view of the above, investment in the Fund should be regarded as long term in nature. The Fund is, therefore, only suitable for investors who can afford the risks involved.

CLASSES OF UNITS

Pursuant to the Trust Deed, the Manager may decide to issue separate classes (each a "Class") whose assets will be commonly invested but where a specific fee structure, currency or distribution policy may be applied. Each Class may have a different charging structure with the result that the net asset value attributable to each Class may differ.

Currently, the following Class is available:

Class	Class Currency
JPMorgan Asia Growth (acc) - HKD	HK dollars
JPMorgan Asia Growth (acc) - RMB (hedged)	Renminbi
JPMorgan Asia Growth (acc) - USD	US dollars
JPMorgan Asia Growth - Class C (acc) - USD	US dollars

The Manager also has the power under the Trust Deed to cease to offer any Class (either temporarily or permanently). The Manager shall be entitled to cancel all units of a particular Class then in issue if at any time the net asset value of that Class falls below US$5 million (or its equivalent in another currency) or at any time with the sanction of an Extraordinary Resolution. In such event, the Manager shall issue to the affected unitholders units of an equivalent value of such other existing Class (if any) as the Manager may in its absolute discretion determine. Prior to such cancellation and issue of units, the Manager shall give the Trustee and all affected unitholders one month's notice (or such other notice period as required by the SFC) of its determination to cancel that Class and the new Class of units to be issued in substitution therefor (if any).

Currency Hedged Classes

For details of Currency Hedged Class of the Fund, please refer to the sections entitled "Currency Hedged Classes" and "AUD Hedged Class/CAD Hedged Class/EUR Hedged Class/GBP Hedged Class/HKD Hedged Class/NZD Hedged Class/RMB Hedged Class/SGD Hedged Class/USD Hedged Class" respectively in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

DISTRIBUTION POLICY

All income will be accumulated and reinvested within the Fund. Although the Trust Deed contains provisions under which the Manager has the discretion to determine the amount to be distributed to unitholders, it is not the current intention of the Manager that such distribution will be made.

BASES OF VALUATIONS

On each dealing day, the Manager shall calculate the net asset value of each Class as at the close of business in the relevant markets where such assets are primarily traded on such dealing day in accordance with the method of establishing the net asset value of each Class as set out in the Trust Deed. The net asset value per unit of each Class is calculated by dividing the value of the assets of that Class, less liabilities of that Class, by the total number of units of that Class in issue as at 5:00 p.m. (Hong Kong time) on the immediately preceding dealing day or such other time agreed between the Manager and the Trustee. Any rounding adjustment arising in respect thereof will be retained by the relevant Class. In general, quoted investments are valued at their closing price and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Manager or a professional person engaged for this purpose. Interest and other income and liabilities are, where practicable, accrued from day to day. Such valuations will be expressed in the offering currency of the relevant Class. The Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

Market volatility may result in a discrepancy between the latest available net asset value for each Class and the fair value of the assets of the relevant Class. Certain investors might exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on redemption, other unitholders may suffer a dilution in the value of their investment. As a safeguard against such exploitation, the Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the net asset value of the relevant Class or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders. It should be noted that the bases of valuations adopted by the relevant Class and the Fund may not be the same as the accounting principles generally accepted in Hong Kong. Further details are set out in the section entitled "REPORTS AND ACCOUNTS" below.

DEALING

For details of the dealing procedure of the Fund, please refer to the section entitled "DEALING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SUBSCRIPTIONS

The Fund is denominated in US dollars.

The section entitled "SUBSCRIPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

Initial Issue Price

The first issue of units of the existing Classes were made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Asia Growth (acc) - HKD	HK$10.00
JPMorgan Asia Growth (acc) - RMB (hedged)	RMB10.00
JPMorgan Asia Growth (acc) - USD	US$10.00

In addition, the first issue of units of the following Class will be made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Asia Growth - Class C (acc) - USD	US$10.00

REDEMPTIONS

Save for the procedure on payment of redemption monies set out in the sub-section entitled "Procedure for Redemption" below, the section entitled "REDEMPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

Procedure for Redemption

The procedure on payment of redemption monies which applies to this Fund is set out below.

The amount due on the redemption of units will normally be paid within five business days and in any event not later than one calendar month after the date of actual receipt by the Manager of a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require. Failure to provide such information may delay payment of redemption proceeds. Payment will normally be made by telegraphic transfer where the unitholder has provided payment details for this purpose. Unitholders may be liable for any bank charges on payment by telegraphic transfer. Where the unitholder has not provided bank payment details or where the redemption amount is less than US$1,000 or its equivalent in another currency, redemption proceeds will normally be paid by cheque, posted at the risk of the unitholder. No third party payments will be made.

SWITCHING

For details on how to switch between Classes of units within the same Fund or between the Fund and other funds managed by the Manager or in respect of which the Manager acts as Hong Kong representative, please refer to the section entitled "SWITCHING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

FEES, CHARGES AND LIABILITIES

Initial and Redemption Charges

The Manager may make an initial charge for each Class (normally up to 5 per cent. of the net asset value per unit) from the gross subscription amount on the issue of units where applicable and receive a redemption charge for each Class (normally up to 0.5 per cent. of the net asset value per unit) from the redemption monies on the cancellation or redemption of units where applicable. However, the Manager does not currently levy any redemption charge.

The Manager reimburses approved intermediaries, which include banks, brokers, recognised securities dealers and other investment advisers (collectively, "Distributors"), a proportion of the commissions, fees, charges or other benefits received by it on the value of the relevant business introduced to the Fund.

Management Fee

The Manager is entitled to receive a management fee of up to 2.5 per cent. per annum of the net asset value of each Class. However, the Manager currently receives a fee of 1.5 per cent. per annum of the net asset value of each Class other than Class C. For Class C, the Manager currently receives a fee of 0.75 per cent. per annum of the net asset value of each Class. The Manager may only increase the level of its fee (which may not exceed 2.5 per cent. per annum of the net asset value of each Class) by giving to the Trustee and unitholders not less than one month's notice of the increased level of management fee. The management

fee shall accrue daily based on the net asset value of that Class on each dealing day and shall be payable monthly in arrears. If the assets of the Fund include interests in any unit trust or other collective investment scheme managed by the Manager or its Connected Persons, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the relevant Class' interest in such unit trust or scheme. Where the Fund invests in any underlying scheme(s) managed by the Manager and/or the Investment Manager or any of their Connected Persons, all initial charges and redemption charges on the underlying scheme(s) shall be waived. The Manager and/or the Investment Manager of the Fund may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company.

The fees of the Investment Manager will be borne by the Manager.

Trustee Fee

The Trustee is entitled to receive a trustee fee of 0.2 per cent. per annum of the net asset value of the Fund which will be calculated before deduction of any management fee and trustee fee accruing to or on the relevant dealing day. However, the Trustee currently receives a trustee fee at the following rates of the Fund's net asset value which is calculated before deduction of any management fee and trustee fee accruing to or on the relevant dealing day:-

	Rate (per annum)
On the first US$40,000,000	0.06%
On the next US$30,000,000	0.04%
On the balance over US$70,000,000	0.025%

The Trustee may only increase the level of its fee (which may not exceed 0.2 per cent. per annum) with the agreement of the Manager and by giving to the unitholders not less than one month's notice of the increased level of trustee fee. The trustee fee shall accrue daily based on the net asset value of the Fund on each dealing day and shall be payable monthly in arrears.

For details of the current fees and charges in respect of dealings made through any other channels from time to time specified by JPMorgan Funds (Asia) Limited, please consult JPMorgan Funds (Asia) Limited.

Other Liabilities

Save for the cost of establishing the Fund, details under the sub-section entitled "Other Liabilities" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

There are no unamortised establishment costs outstanding relating to this Fund.

CONFLICTS OF INTEREST

For details of the Manager's current policy on conflicts of interest, please refer to the section entitled "CONFLICTS OF INTEREST" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

TAXATION

The following sub-sections under Section D – TAX NOTES of the Consolidated Explanatory Memoranda apply to the Fund:

(i) "(i) General";

(ii) the sub-paragraph entitled "Hong Kong" under the sub-section entitled "(ii) Taxation of Funds in their Country/Region of Formation"; and

(iii) "(iii) Taxation of Unitholders".

REPORTS AND ACCOUNTS

For details of the reports and accounts of the Fund, please refer to the section entitled "REPORTS AND ACCOUNTS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

GENERAL

The general provisions under the section entitled "GENERAL" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

MANAGEMENT AND ADMINISTRATION DIRECTORY

Manager and Service Provider

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Trustee

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Directors of JPMorgan Funds (Asia) Limited

Chan, Tsun Kay, Edwin
Ebrahim, Ayaz
Leung, Kit Yee, Elka
Roberts, Ioan William
Watkins, Daniel James

Registrar

HSBC Trustee (Cayman) Limited
PO Box 484
HSBC House
68 West Bay Road
Grand Cayman KY1-1106
Cayman Islands

Investment Manager

JPMorgan Asset Management (Asia Pacific) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Auditors

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
1 Des Voeux Road Central
Hong Kong

Additional information is available from: -

JPMorgan Funds (Asia) Limited
GPO Box 11448
Hong Kong

Telephone: (852) 2265 1188
Facsimile: (852) 2868 5013

JPMorgan China A-Share Opportunities Fund

INTRODUCTION

JPMorgan China A-Share Opportunities Fund ("Fund") is a unit trust constituted by a Trust Deed dated 2 July 2014 ("Trust Deed") governed by the laws of Hong Kong. The Fund has been authorised as a collective investment scheme in the form of a unit trust by the Securities and Futures Commission ("SFC") under Section 104 of the *Securities and Futures Ordinance* (Cap. 571 of the Laws of Hong Kong) ("SFO") and the Code on Unit Trusts and Mutual Funds ("SFC Code"). SFC authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Fund's portfolio is subject to market fluctuations and exchange rate fluctuations and to the risks inherent in all investments. Therefore, the value of the Fund and the level of distributions (if any) may go down as well as up.

FUND PARTIES

The Fund is managed by JPMorgan Funds (Asia) Limited ("Manager"), a company incorporated with limited liability under the laws of Hong Kong.

Day-to-day investment management of the Fund has been delegated to JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited) ("Investment Manager"), a company incorporated with limited liability in Hong Kong.

HSBC Institutional Trust Services (Asia) Limited acting as trustee of the Fund ("Trustee"), is incorporated in Hong Kong and is registered as a trust company under the Trustee Ordinance in Hong Kong. The Trustee is an indirect wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. Under the Trust Deed, the Trustee is responsible for the safe-keeping of the Fund's investments. The HSBC group has adopted a policy of compliance with the sanctions issued by The Office of Foreign Assets Control of the US Department of the Treasury.

Please refer to the section entitled "FUND PARTIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds in relation to the liabilities of each of the parties described herein.

The Trustee may from time to time appoint, or agree to have such other persons to appoint such person or persons as it thinks fit (including, without limitation, any of its Connected Persons) to hold as custodian, co-custodian, nominee, agent or delegate, all or any of the investments, assets or other property comprised in the Fund and may empower any such person to appoint, with the prior consent in writing of the Trustee, sub-custodians (each such custodian, nominee, agent, delegate, co-custodian and sub-custodian a "Correspondent").

The Trustee shall (a) exercise reasonable care, skill and diligence in the selection, appointment and on-going monitoring of Correspondents and (b) be satisfied that Correspondents retained remain suitably qualified and competent on an on-going basis to provide the relevant services to the Fund.

The Trustee shall be responsible and liable for the acts and omissions of any Correspondent which is a Connected Person of the Trustee as if the same were the acts or omissions of the Trustee, but provided that the Trustee has discharged its obligations set out in (a) and (b) as set out in this paragraph, the Trustee shall not be liable for any act, omission, insolvency, liquidation or bankruptcy of any Correspondent which is not a Connected Person of the Trustee. For the purpose of the foregoing "Correspondent" shall include the RQFII Custodian (as defined below). For the avoidance of doubt, the RQFII Custodian is not a Connected Person of the Trustee.

The Trustee shall not be liable for any act, omission, insolvency, liquidation or bankruptcy of Euro-clear Clearing System Limited or Clearstream Banking S.A. or any other such central depositary or clearing system which may from time to time be approved by the Trustee and the Manager.

HSBC Trustee (Cayman) Limited is the registrar of the Fund ("Registrar") and is incorporated with limited liability in the Cayman Islands. The Registrar is responsible for keeping the register of unitholders.

China Construction Bank Corporation has been appointed as the custodian ("RQFII Custodian") in respect of the investments in the People's Republic of China ("PRC") held by the Fund.

China Construction Bank Corporation is one of the largest commercial banks in the PRC providing a comprehensive range of commercial banking products and services. On 27 October 2005, H-shares of China Construction Bank Corporation were listed on Hong Kong Stock Exchange, and on 25 September 2007, A-shares of China construction Bank Corporation were listed on Shanghai Stock Exchange.

INVESTMENT OBJECTIVES, POLICY AND RESTRICTIONS

Investment Objective and Policy

The investment objective and policy of the Fund is to aim to achieve long-term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in equity securities issued in the PRC including but not limited to China A-Shares listed on the PRC stock exchanges (e.g. Shanghai Stock Exchange and Shenzhen Stock Exchange).

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund will invest in PRC securities via the Renminbi Qualified Foreign Institutional Investor ("RQFII") quota of the Investment Manager. For the investment in China A-Shares, the Fund may also invest and have direct access to certain eligible China A-Shares via China Connect (as further described in the sub-section headed "China Connect" below) and/or other similar programs as approved by the relevant regulators from time to time. The Fund may invest 30% or more of its total net asset value in stocks listed on the Small and Medium Enterprise Board and/or the ChiNext Board of the Shenzhen Stock Exchange and/or the Science and Technology Innovation Board of the Shanghai Stock Exchange.

The Fund may also invest up to 10 per cent. of its total net asset value in equity funds (including exchange traded funds) and other instruments issued in the PRC from time to time approved by the China Securities Regulatory Commission for investment by a RQFII.

In addition, the Fund may invest up to 15 per cent. of its total net asset value in China B-Shares listed on the PRC stock exchanges.

The Fund may invest in derivatives (which are traded outside the PRC) such as warrants for investment purposes, and forward contracts, options and futures for hedging purposes.

The Fund's total exposures to investments issued or traded outside the PRC (including but not limited to equities (e.g. H shares listed on the Hong Kong Stock Exchange), warrants, equities funds and exchange traded funds) will in aggregate be up to 30 per cent. of its total net asset value.

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.

Currently, the Fund does not intend to invest in i) structured product or structured deposit; or ii) debt securities including but not limited to urban investment bonds[1] (城投債) and asset-backed securities (including mortgage-backed securities and asset-backed commercial securities). Should this investment policy change in the future, prior approval will be sought from the SFC and one month's prior notice will be given to unitholders and the offering document will be updated accordingly.

The investment objective, policy and investment restrictions and guidelines of the Fund may, subject to the approval of the Trustee and/or the SFC (as applicable), vary from time to time when the Manager considers appropriate in the circumstances.

Investment Strategy

The Fund will seek to rely on the professional judgement of the Manager and the Investment Manager in making decisions about the Fund's portfolio investments. Stock selection and investment process will be a combination of top-down and bottom-up processes. Top-down process is based on the Manager's and Investment Manager's assessment of macroeconomic factors, state policies, market valuation and liquidity. Bottom up process is based on research and analysis of individual stocks alongside with financial projection and valuation.

Investment Restrictions and Guidelines

The Fund may invest in anything into which a person may invest, subject to the investment restrictions as stipulated in the sub-section entitled "Investment Restrictions and Guidelines" under the section entitled "INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds, unless otherwise set out below.

The following investment restrictions and guidelines are applicable to the Fund:

i) The value of the Fund's holding of China A-Shares shall not be less than 70 per cent. of its total net asset value.

[1] Urban investment bonds are debt instruments issued by mainland China local government financing vehicles ("LGFVs"). These LGFVs are separate legal entities established by local governments and/or their affiliates to raise financing for public welfare investment or infrastructure projects.

ii) The Fund may not short sell any securities.

iii) The Fund may invest up to 100 per cent. of its total net asset value in China A-Shares via China Connect.

Borrowing and Leverage

For information about the borrowing and leverage of the Fund, please refer to the section entitled "Borrowing and Leverage" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Securities Financing Transactions Policy

For details of the securities financing transactions policy of the Fund, please refer to the sections entitled"Securities Financing Transactions Policies" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Renminbi ("RMB") Qualified Foreign Institutional Investor ("RQFII")

Currently it is intended that the Fund will primarily invest directly in China A-Shares by using the RQFII quotas of the Investment Manager, which has obtained RQFII status in the PRC.

The Investment Manager may from time to time make available RQFII quota for the purpose of the Fund's direct investment into the PRC. Under the State Administration of Foreign Exchange's ("SAFE") RQFII quota administration policy, the Investment Manager has the flexibility to allocate its RQFII quota across different open-ended fund products, or, subject to SAFE's approval, to products and/or accounts that are not open-ended funds. The Investment Manager may therefore allocate additional RQFII quota to the Fund, or allocate RQFII quota which may otherwise be available to the Fund to other products and/or accounts. The Investment Manager may also apply to SAFE for an increase of the RQFII quota which may be utilised by the Fund, other clients of the Investment Manager or other products managed by the Investment Manager. However, there is no assurance that the Investment Manager will make available investment quota that is sufficient for the Fund's investment at all times.

The Investment Manager in its capacity as a RQFII, appointed China Construction Bank Corporation as the RQFII Custodian in respect of the assets of the Fund within the PRC, pursuant to relevant laws and regulations. In addition, a Connected Person of the Trustee, as Trustee's delegate, has entered into a sub-custodian agreement with the RQFII Custodian in respect of the custody of certain assets in the PRC, including those acquired through or in connection with the RQFII investment quota of the Investment Manager for the Fund.

Securities including China A-Shares, or other PRC securities will be maintained by the RQFII Custodian pursuant to PRC regulations through securities account(s) with the China Securities Depository and Clearing Corporation Limited in such name as may be permitted or required in accordance with PRC law.

Investors should pay attention to the sections headed "RQFII risk" and "PRC brokerage risk" under the "RISKS" section. The Investment Manager in its capacity as RQFII has obtained an opinion from PRC legal counsel confirming that, as a matter of PRC laws:

(a) securities account(s) of the Fund with the relevant depositories maintained by the RQFII Custodian and RMB special deposit account(s) of the Fund with the RQFII Custodian (respectively, the "securities account(s)" and the "cash account(s)") shall be opened in the joint names of the Investment Manager (as RQFII holder) and the Fund for the sole benefit and use of the Fund in accordance with all applicable laws and regulations of the PRC and with approval from all competent authorities in the PRC;

(b) the assets held/credited in the securities account(s) (i) belong solely to the Fund, and (ii) are segregated and independent from the proprietary assets of the Manager, the Investment Manager (as RQFII holder), the RQFII Custodian and any brokers appointed by the Investment Manager (as RQFII holder) ("PRC Broker(s)") and from the assets of other clients of the Manager, the Investment Manager (as RQFII holder), the RQFII Custodian and any PRC Broker(s);

(c) the assets held/credited in the cash account(s) (i) become an unsecured debt owing from the RQFII Custodian to the Fund, and (ii) are segregated and independent from the proprietary assets of the Manager, the Investment Manager (as RQFII holder) and any PRC Broker(s), and from the assets of other clients of the Manager, the Investment Manager (as RQFII holder) and any PRC Broker(s);

(d) the Trustee, for and on behalf of the Fund, is the only entity which has a valid claim of ownership over the assets in the securities account(s) and the debt in the amount deposited in the cash account(s) of the Fund;

(e) if the Manager, the Investment Manager (as RQFII holder) or any PRC Broker is liquidated, the assets contained in the securities account(s) and cash account(s) of the Fund will not form part of the liquidation assets of the Manager, the Investment Manager (as RQFII holder) or such PRC Broker(s) in liquidation in the PRC; and

(f) if the RQFII Custodian is liquidated, (i) the assets contained in the securities account(s) will not form part of the liquidation assets of the RQFII Custodian in liquidation in the PRC, and (ii) the assets contained in the cash account(s) will form part of the liquidation assets of the RQFII Custodian in liquidation in the PRC and the Fund will become an unsecured creditor for the amount deposited in the cash account(s).

Further, the Trustee has put in place proper arrangements to ensure that:

(i) the Trustee takes into its custody or under its control the assets of the Fund, including assets deposited in the securities account(s) and cash account(s) with the RQFII Custodian, and holds the same in trust for the unitholders;

(ii) the Trustee registers the assets of the Fund, including assets deposited in the securities account(s) and cash account(s) with the RQFII Custodian, to the order of the Trustee; and

(iii) the RQFII Custodian will look to the Trustee for instructions (through the Trustee's delegate) and solely act in accordance with such instructions, save as otherwise required under applicable regulations.

The Manager has entered into the Participation Agreement between the Investment Manager (as RQFII holder), the Trustee and the RQFII Custodian, pursuant to which the parties confirm and acknowledge operational arrangements in relation to the Fund's use of RQFII quota. Among which, the RQFII Custodian will look to the Trustee (through the Trustee's delegate) for instructions and solely act in accordance with the Trustee's instructions, which come from the Manager and the Investment Manager, as provided under the Participation Agreement.

The Investment Manager will assume dual roles as the investment manager of the Fund and the holder of RQFII quotas for the Fund. The Investment Manager will be responsible for ensuring that all transactions and dealings will be dealt with in compliance with the Trust Deed (where applicable) as well as the relevant laws and regulations applicable to the Investment Manager as a RQFII. If any conflicts of interest arise, the Investment Manager will have regard in such event to its obligations to the Fund and will endeavour to ensure that such conflicts are resolved fairly.

China Connect

The section entitled "Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (collectively the "China Connect")" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

RISKS

The performance of the Fund will be affected by a number of risk factors, including the risk factors as set out in the section entitled "RISKS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

In addition, the following risk factors are applicable to the Fund:

(i) China market risk – Investing in the securities markets in the PRC is subject to the risks of investing in emerging markets generally and the risks specific to the PRC market.

Many of the PRC economic reforms are unprecedented or experimental and are subject to adjustment and modification, and such adjustment and modification may not always have a positive effect on foreign investment in joint stock companies in the PRC or in listed securities such as "A", "B" and "H" shares.

The choice of "A", "B" and "H" share issues currently available to the Manager may be limited as compared with the choice available in other markets. There may also be a lower level of liquidity and trading volume in the PRC "A" and "B" share markets, which are relatively smaller in terms of both combined total market value and the number of "A" and "B" shares which are available for investment as compared with other markets. This could potentially lead to severe price volatility. There may also be potential settlement difficulties in the PRC market.

The national regulatory and legal framework for capital markets and joint stock companies in the PRC are still developing when compared with those of developed countries. Most of the joint stock companies with listed China A-Shares have undergone split-share structure reform to convert state owned shares or legal person shares into transferable shares with the intention to increase liquidity of China A-Shares. However, the effects of such reform on the China A-Share market as a whole and other PRC securities remain to be seen. In addition, trading band limits may be imposed by the PRC stock exchanges on China A-Shares, where trading in a China A-Share security on the relevant PRC stock exchange may be

suspended if the trading price of such security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the Fund to liquidate its positions (if any) in such security. Also, it may not be possible for the Fund to liquidate positions at a favourable price even when the suspension is lifted. Such trading band limit may therefore adversely affect the Fund's investment in China A-Shares.

PRC companies are required to follow PRC accounting standards and practice which, to a certain extent, follow international accounting standards. However, there may be significant differences between financial statements prepared by accountants following PRC accounting standards and practice and those prepared in accordance with international accounting standards.

Both the Shanghai and Shenzhen securities markets are in the process of development and change. This may lead to trading volatility, difficulty in the settlement and recording of transactions and difficulty in interpreting and applying the relevant regulations.

Investments in the PRC will be sensitive to any significant change in political, social or economic policy in the PRC, which includes possible government intervention. Such sensitivity may, for the reasons specified above, adversely affect the capital growth and thus the performance of these investments. The PRC government or the regulators may also implement policies that may affect the financial markets.

The PRC government's control of currency conversion and future movements in exchange rates may adversely affect the operations and financial results of the companies that issue the relevant PRC securities invested in by the Fund.

In light of the above mentioned factors, the price of PRC securities may fall significantly in certain circumstances and may have an adverse effect on the Fund's performance.

(ii) People's Republic of China ("PRC") tax risk consideration – There are risks and uncertainties associated with the current PRC tax laws, regulations and practice on the Fund's investments in the PRC. Any increased tax liabilities on the Fund may adversely affect the Fund's value. The Manager and Investment Manager reserve the right to provide for tax on gains of the Fund that invests in PRC securities thus impacting the valuation of the Fund. Based on professional and independent tax advice, except for gains from China A-Shares trading through China Connect or Qualified Foreign Institutional Investors or Renminbi Qualified Foreign Institutional Investors and interest derived by foreign institutional investors from bonds traded on PRC bond market which are specifically exempt under temporary exemptions from the prevailing PRC tax regulations, a tax provision of 10% is fully provided for all PRC sourced income (including gains from PRC securities, dividends and interest) until sufficient clarity is given by the PRC authorities to exempt specific types of PRC sourced income (e.g. gains from PRC bonds).

With the uncertainty of whether and how certain gains on PRC securities are to be taxed, the possibility of the laws, regulations and practice in the PRC changing, and the possibility of taxes being applied retrospectively, any provision for taxation made by the Manager and/or the Investment Manager may be excessive or inadequate to meet final PRC tax liabilities on gains derived from the disposal of PRC securities. In case of any shortfall between the provisions and actual tax liabilities, which will be debited from the Funds' assets, the Funds' net asset value will be adversely affected. Depending on the timing of investors' subscriptions and/or redemptions, they may be disadvantaged as a result of any shortfall of tax provision and/or not having the right to claim any part of the overprovision (as the case may be).

For more information on the PRC taxation of PRC securities and the provisioning for such taxation, please refer to the sub-paragraph entitled "The People's Republic of China ("PRC")" under the sub-section entitled "(iv) Investment Markets" under Section D – TAX NOTES of the Consolidated Explanatory Memoranda.

(iii) Connected party risk – The Fund will be investing in China A-Shares via the RQFII status of the Investment Manager. Although the Manager and the Investment Manager are all part of the JPMorgan group of companies, each of such entities will operate independently in assuming their respective duties and obligations in relation to the Fund and are subject to the supervision of their relevant industry regulators. All transactions and dealings between such entities in relation to the Fund will be dealt with on arm's length basis having regard to the constitutive documents of the Fund as well as the relevant regulatory codes applicable to such entities. In the unlikely event that conflicts of interest arise, the Manager in conjunction with the Trustee will seek to ensure that the Fund is managed in the best interests of unitholders and the unitholders are treated fairly.

(iv) RMB currency risk – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the People's Republic of China. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including

US dollars and HK dollars, are susceptible to movements based on external factors. Accordingly, the investment in Classes denominated in RMB may be adversely affected by the fluctuations in the exchange rate between RMB and other foreign currencies.

RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government.

Classes denominated in RMB will generally be valued with reference to RMB (CNH) rather than RMB (CNY). While RMB (CNH) and RMB (CNY) represent the same currency, they are traded in different and separate markets which operate independently. As such RMB (CNH) does not necessarily have the same exchange rate and may not move in the same direction as RMB (CNY). Any divergence between RMB (CNH) and RMB (CNY) may adversely impact investors.

Classes denominated in RMB participate in the offshore RMB (CNH) market, which allow investors to freely transact CNH outside of mainland China. Classes denominated in RMB will have no requirement to remit CNH to onshore RMB (CNY). Non-RMB based investors (e.g. Hong Kong investors) in Classes denominated in RMB may have to convert HK dollars or other currencies into RMB when investing in Classes denominated in RMB and subsequently convert the RMB redemption proceeds and/or distributions (if any) back to HK dollars or such other currencies. Investors will incur currency conversion costs and may suffer losses depending on the exchange rate movements of RMB relative to HK dollars or such other currencies. Also, there can be no assurance that RMB will not be subject to devaluation and any depreciation of RMB could adversely affect the value of the investor's investment in the Fund.

Even if the Fund aims at paying redemption monies and/or distributions of RMB denominated Classes in RMB, the Manager may, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, pay redemption monies and/or distributions in US dollars. There is also a risk that payment of redemption monies and/or distributions in RMB may be delayed when there is not sufficient amount of RMB for currency conversion for settlement of the redemption monies and distributions in a timely manner due to the exchange controls and restrictions applicable to RMB. In any event, the redemption proceeds will be paid not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.

(v) RQFII risk – The Fund is not a RQFII but may obtain access to China A-Shares or other PRC securities eligible for RQFII investment ("RQFII Eligible Securities") directly using RQFII quotas of a RQFII. The Fund may invest directly in RQFII Eligible Securities via the RQFII status of the Investment Manager.

Investors should note that RQFII status could be suspended or revoked, which may have an adverse effect on the Fund's performance as the Fund may not be able to invest directly in RQFII Eligible Securities and may be required to dispose of its RQFII Eligible Securities holdings and may be prohibited from repatriation of the Fund's monies. In addition, certain restrictions imposed by the Chinese government on RQFIIs may have an adverse effect on the Fund's liquidity and performance.

The SAFE regulates and monitors the remittance and the repatriation of funds out of the PRC by the RQFII pursuant to the "Circular on Issues Related to the Pilot Scheme for Domestic Securities Investment through Renminbi Qualified Foreign Institutional Investors" issued in March 2013 (《國家外匯管理局關於人民幣合格境外機構投資者境內證券投資試點有關問題的通知》) (the "RQFII Measures"). Repatriations by RQFIIs in respect of an open-ended RQFII fund (such as the Fund) conducted in RMB are currently not subject to repatriation restrictions, any lock-up period or prior approval, although authenticity and compliance reviews will be conducted, and monthly reports on remittances and repatriations will be submitted to SAFE by the RQFII Custodian. There is no assurance, however, that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Any restrictions on repatriation of the invested capital and net profits may impact on the Fund's ability to meet redemption requests from the unitholders.

Furthermore, as the RQFII Custodian's review on authenticity and compliance is conducted on each repatriation, the repatriation may be delayed or even rejected by the RQFII Custodian in case of non-compliance with the RQFII rules and regulations. In such case, it is expected that redemption proceeds will be paid to the redeeming unitholder as soon as practicable and after the completion of the repatriation of funds concerned. It should be noted that the actual time required for the completion of the relevant repatriation will be beyond the Investment Manager's control.

RQFII quotas are generally granted to a RQFII. The rules and restrictions under RQFII regulations generally apply to the RQFII as a whole and may or may not be specific to the investments made by the Fund. It is provided in the RQFII Measures that the size of the quota may be reduced or cancelled by the SAFE if the RQFII is unable to use its RQFII quota effectively within one year since the quota is granted. If SAFE reduces the RQFII's quota, it may affect the allocation to the Fund and accordingly the Investment Manager's ability to effectively pursue the investment strategy of the Fund. In addition, the SAFE

is vested with the power to impose regulatory sanctions if a RQFII or a RQFII custodian violates any provision of the RQFII Measures. Any violations could result in the revocation of the RQFII's quota or other regulatory sanctions and may adversely impact on the portion of the RQFII's quota made available for investment by the Fund.

Investors should note that there can be no assurance that a RQFII will continue to maintain its RQFII status or to make available its RQFII quota, or the Fund will be allocated a sufficient portion of RQFII quotas from a RQFII to meet all applications for subscription to the Fund, or that redemption requests can be processed in a timely manner due to adverse changes in relevant laws or regulations. Such restrictions may respectively result in a rejection of applications and a suspension of dealings of the Fund. Further, the Fund may not have exclusive use of the entire RQFII quota granted by SAFE to the Investment Manager, as the Investment Manager may at its discretion allocate RQFII quota which may otherwise be available to the Fund to other products. There is no assurance that the Investment Manager will make available investment quota that is sufficient for the Fund's investment at all times. In extreme circumstances, the Fund may incur significant losses due to limited investment capabilities, or may not be able to fully implement or pursue its investment objective or strategy due to insufficiency of RQFII quota or RQFII investment restrictions, illiquidity of the Chinese domestic securities market and/or delay or disruption in execution of trades or in settlement of trades.

The current RQFII laws, rules and regulations are subject to change, which may take retrospective effect. In addition, there can be no assurance that the RQFII laws, rules and regulations will not be abolished. The Fund, which invests in the PRC markets through a RQFII, may be adversely affected as a result of such changes.

Investors should also note that direct investments in RQFII Eligible Securities through RQFIIs are subject to compliance with the investment restrictions currently imposed under RQFII regulations in the PRC, as amended from time to time, which are applied on each foreign investor investing through QFIIs/RQFIIs and which will affect the ability of the Fund to invest in RQFII Eligible Securities.

(vi) Risk associated with foreign shareholding restrictions on China A-Shares – Investments on China A-Shares through RQFII investment quotas and China Connect are subject to the following shareholding restrictions:

- Single foreign investors' shareholding by any Hong Kong or overseas investor (such as the Fund) in a China A-Share must not exceed 10% of the total issued shares; and
- Aggregate foreign investors' shareholding by all Hong Kong and overseas investors (such as the Fund) in a China A-Share must not exceed 30% of the total issued shares.

When Hong Kong and overseas investors carry out strategic investments in listed companies in accordance with the "Measures for the Administration of Strategic Investment of Foreign Investors in Listed Companies"（《外國投資者對上市公司戰略投資管理辦法》）, the shareholding of the strategic investments is not capped by the abovementioned percentages.

Should the shareholding of a single investor in a China A-Share listed company exceed the above restriction, the investor would be required to unwind his position on the excessive shareholding according to a last-in-first-out basis within a specific period. The SSE/SZSE (as the case may be) and the SEHK will issue warnings or restrict the buy orders for the related China A-Shares if the percentage of total shareholding is approaching the upper limit.

As there are limits on the total shares held by all underlying foreign investors in one listed company in the PRC, the capacity of the Fund to make investments in A-Shares will be affected by the activities of all underlying foreign investors investing through RQFIIs or China Connect or any other permissible ways to obtain A-Shares investment exposures, not just the Investment Manager as RQFII itself or other investors who make investment through the RQFII status of the Investment Manager or other investors who make investment through China Connect.

(vii) Risk associated with short swing profit rule - According to the PRC Securities Law（中華人民共和國證券法）, a shareholder of 5% or more of the total issued shares of a PRC listed company ("major shareholder") has to return any profits obtained from the purchase and sale of shares of such PRC listed company if both transactions occur within a six-month period. In the event that the Fund or the Investment Manager (deemed as person acting in concert) becomes a major shareholder of a PRC listed company by investing in China A-Shares via RQFII investment quotas or China Connect, the profits that the Fund may derive from such investments may be limited, and thus the performance of the Fund may be adversely affected.

(viii) Cash deposited with the RQFII Custodian – Investors should note that cash deposited in the cash account(s) of the Fund with the RQFII Custodian will not be segregated but will be a debt owing from the RQFII Custodian to the Fund as a depositor. Such cash will be comingled with cash that belongs to other clients or creditors of the RQFII Custodian. In the event of bankruptcy or liquidation of the RQFII Custodian, the Fund will not have any proprietary rights to the cash deposited in such

cash account(s), and the Fund will become an unsecured creditor, ranking pari passu with all other unsecured creditors, of the RQFII Custodian. The Fund may face difficulty and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the Fund will suffer.

(ix) PRC brokerage risk – The execution and settlement of transactions or the transfer of any funds or securities may be conducted by PRC Brokers.

There is a risk that the Fund may suffer losses from the default, bankruptcy or disqualification of the PRC Brokers. In such event, the Fund maybe adversely affected in the execution or settlement of any transaction or in the transfer of any funds or securities.

In selection of PRC Brokers, the Investment Manager will have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards. If the Investment Manager considers appropriate, it is possible that a single PRC Broker will be appointed and the Fund may not necessarily pay the lowest commission available in the market.

(x) Application of RQFII rules – The RQFII rules described under "RQFII risk" enable RMB to be remitted into and repatriated out of the PRC. The rules are novel in nature and their application may depend on the interpretation given by the relevant Chinese authorities. Investment products (such as the Fund) which make investments pursuant to such RQFII rules are among the first of its kind. Any changes to the relevant rules may have an adverse impact on investors' investment in the Fund. In the worst scenario, the Manager may determine that the Fund shall be terminated if it is not legal or viable to operate the Fund because of changes to the application of the relevant rules.

(xi) Class currency risk – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not RMB) and chooses to invest in the JPMorgan China A-Share Opportunities (acc) - RMB Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and RMB upon the reconversion of its RMB investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in RMB.

(xii) Risks associated with the China Connect – The Fund may invest through the China Connect. In addition to the risks associated with the China market, RMB currency risk, risk associated with foreign shareholding restrictions on China A-Shares and risk associated with short swing profit rule it is also subject to the following additional risks:

<u>Quota limitations</u>

- China Connect is subject to daily quota limitations. In particular, once the remaining balance of the relevant Northbound Daily Quota drops to zero or the relevant Northbound Daily Quota is exceeded during the opening call session, new buy orders will be rejected (though investors will be allowed to sell their cross boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the Fund's ability to invest in China A-Shares through China Connect on a timely basis, and the Fund may not be able to effectively pursue its investment strategies.

<u>Suspension risk</u>

- It is contemplated that each of SEHK, SSE and SZSE would reserve the right to suspend Northbound and/or Southbound trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the Northbound trading through China Connect is effected, the Fund's ability to access the PRC market will be adversely affected. The Fund may therefore not be able to sell the A shares acquired via China Connect to meet any redemption requests in timely manner. In such event, the Fund's ability to achieve its investment objective could be negatively affected.

<u>Operational risk</u>

- The China Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

- It should be appreciated that the securities regimes and legal systems of the two markets differ significantly and in order for the trial program to operate, market participants may need to address issues arising from the differences on an on-going basis.

- Further, the "connectivity" in the China Connect program requires routing of orders across the border. This requires the development of new information technology systems on the part of the SEHK and exchange participants (i.e. a new order routing system ("China Stock Connect System") set up by SEHK to which exchange participants need to connect). There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both Hong Kong and Shanghai or Shenzhen (as the case maybe) markets. In the event that the relevant systems failed to function properly, trading in both Hong Kong and Shanghai or Shenzhen (as the case maybe) markets through the program could be disrupted. The Fund's ability to access the China A-Share market (and hence to pursue its investment strategy) will be adversely affected.

Restrictions on selling imposed by front-end monitoring

- PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise SSE or SZSE (as the case may be) will reject the sell order concerned. SEHK will carry out pre-trade checking on China A-Shares sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

- If the Fund desires to sell certain China A-Shares it holds, it must transfer those China A-Shares to the respective accounts of its brokers before the market opens on the day of selling ("trading day") unless its brokers can otherwise confirm that the Fund has sufficient shares in its account. If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, the Fund may not be able to dispose of holdings of China A-Shares in a timely manner.

  Alternatively, if the Fund maintains its China A-Shares with a custodian which is a custodian participant or general clearing participant participating in CCASS, the Fund may request such custodian to open a special segregated account ("SPSA") in CCASS to maintain its holdings in China A-Shares under the enhanced pre-trade checking model. Each SPSA will be assigned a unique "Investor ID" by CCASS for the purpose of facilitating the China Connect system to verify the holdings of an investor such as the Fund. Provided that there is sufficient holding in the SPSA when a broker inputs the Fund's sell order, the Fund will only need to transfer China A-Shares from its SPSA to its broker's account after execution and not before placing the sell order and the Fund will not be subject to the risk of being unable to dispose of its holdings of China A-Shares in a timely manner due to failure to transfer China A-Shares to its brokers in a timely manner.

Recalling of eligible stocks

- When a stock is recalled from the scope of eligible stocks for trading via China Connect, the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the Fund, for example, when the Manager wishes to purchase a stock which is recalled from the scope of eligible stocks.

Clearing and settlement risk

- The HKSCC and ChinaClear has established the clearing links and each will become a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

- Should the remote event of ChinaClear default occur and ChinaClear be declared as a defaulter, HKSCC's liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the Fund may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

Participation in corporate actions and shareholders' meetings

- HKSCC will keep CCASS participants informed of corporate actions of SSE and SZSE securities. Hong Kong and overseas investors (including the Fund) will need to comply with the arrangement and deadline specified by their respective brokers or custodians (i.e. CCASS participants). The time for them to take actions for some types of corporate actions of China A-Shares may be as short as one business day only. Therefore, the Fund may not be able to participate in some corporate actions in a timely manner.

- Hong Kong and overseas investors (including the Fund) are holding China A-Shares traded via the China Connect program through their brokers or custodians. According to existing mainland practice, multiple proxies are not available. Therefore, the Fund may not be able to appoint proxies to attend or participate in shareholders' meetings in respect of the China A-Shares.

Risk of default by brokers

- Investment through China Connect is conducted through broker(s), and is subject to the risks of default by such broker(s) in their obligations.

Regulatory risk

- China Connect is subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under China Connect.

- It should be noted that the rules and regulations are untested and there is no certainty as to how they will be applied. Moreover, the current rules and regulations are subject to change which may have potential retrospective effect. There can be no assurance that China Connect will not be abolished. The Fund, which may invest in the PRC markets through China Connect, may be adversely affected as a result of such changes.

(xiii) Risks associated with the investments in stocks listed on the Small and Medium Enterprise Board ("SME Board") and/or the ChiNext Board of the SZSE and/or the Science and Technology Innovation Board ("STAR Board") of the SSE – The Fund may invest in stocks listed on the SME Board and/or the ChiNext Board of the SZSE via the Shenzhen-Hong Kong Stock Connect and/or the STAR Board via the Shanghai-Hong Kong Stock Connect. Investments in the SME Board and/or ChiNext Board and/or STAR Board may result in significant losses for the Fund and its investors. The following additional risks apply:

Higher fluctuation on stock prices and liquidity risk

Listed companies on the SME Board, ChiNext Board and/or STAR Board are usually of emerging nature with smaller operating scale. In particular, listed companies on STAR Board are subject to wider price fluctuation limits, and due to higher entry thresholds for investors, stocks listed on STAR Board may have limited liquidity, compared to those listed on other boards. Hence, they are subject to higher fluctuation in stock prices and liquidity and have higher risks and turnover ratios than companies listed on the main board.

Over-valuation risk

Stocks listed on the SME Board, ChiNext Board and/or STAR Board may be given a higher valuation and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

Differences in regulations applicable to ChiNext Board and STAR Board

The rules and regulations regarding companies listed on ChiNext Board and STAR Board are less stringent in terms of profitability and share capital than those on the main board and SME Board.

Delisting risk

It may be more common and faster for companies listed on the SME Board, ChiNext Board and/or STAR Board to delist. In particular, STAR Board has stricter criteria for delisting compared to other boards. This may have an adverse impact on the Fund if the companies that it invests in are delisted.

Concentration risk applicable to STAR Board

STAR Board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in STAR Board may be concentrated in a small number of stocks and subject the Fund to higher concentration risk.

In view of the above, investment in the Fund should be regarded as long term in nature. The Fund is, therefore, only suitable for investors who can afford the risks involved.

CLASSES OF UNITS

Pursuant to the Trust Deed, the Manager may decide to issue separate classes (each a "Class") whose assets will be commonly invested but where a specific fee structure, currency or distribution policy may be applied. Each Class may have a different charging structure with the result that the net asset value attributable to each Class may differ.

Currently, the following Classes are available:

Class	Class Currency
JPMorgan China A-Share Opportunities (acc) - HKD	HK dollars
JPMorgan China A-Share Opportunities (acc) - RMB	Renminbi
JPMorgan China A-Share Opportunities (acc) - USD	US dollars
JPMorgan China A-Share Opportunities - Class C (acc) - RMB	Renminbi
JPMorgan China A-Share Opportunities - Class C (acc) - USD	US dollars

The Manager also has the power under the Trust Deed to cease to offer any Class (either temporarily or permanently). The Manager shall be entitled to cancel all units of a particular Class then in issue if at any time the net asset value of that Class falls below US$5 million (or its equivalent in another currency) or at any time with the sanction of an Extraordinary Resolution. In such event, the Manager shall issue to the affected unitholders units of an equivalent value of such other existing Class (if any) as the Manager may in its absolute discretion determine. Prior to such cancellation and issue of units, the Manager shall give the Trustee and all affected unitholders one month's notice (or such other notice period as required by the SFC) of its determination to cancel that Class and the new Class of units to be issued in substitution therefor (if any).

DISTRIBUTION POLICY

For the Manager's current distribution policy, please refer to the section entitled "DISTRIBUTION POLICY" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

BASES OF VALUATIONS

The method of establishing the net asset value of each Class is set out in the Trust Deed. The net asset value per unit of each Class is calculated by dividing the value of the assets of that Class, less liabilities of that Class, by the total number of units of that Class in issue as at 5:00 p.m. (Hong Kong time) on the immediately preceding dealing day or such other time agreed between the Manager and the Trustee. Any rounding adjustment arising in respect thereof will be retained by the relevant Class. In general, quoted investments are valued at their closing price and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Manager or a professional person engaged for this purpose. Interest and other income and liabilities are, where practicable, accrued from day to day. Such valuations will be expressed in the offering currency of the relevant Class. The Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

Market volatility may result in a discrepancy between the latest net asset value for each Class and the fair value of the assets of the relevant Class. Certain investors might exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on redemption, other unitholders may suffer a dilution in the value of their investment. As a safeguard against such exploitation, the Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the net asset value of the relevant Class or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders. It should be noted that the bases of valuations adopted by the relevant Class and the Fund may not be the same as the accounting principles generally accepted in Hong Kong. Further details are set out in the section entitled "Reports and Accounts" below.

DEALING

For details of the dealing procedure of the Fund, please refer to the section entitled "DEALING" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SUBSCRIPTIONS

The Fund is denominated in Renminbi.

Save for the minimum lump sum investment in respect of certain Classes set out under the sub-section "Procedure for Application" below, the section entitled "SUBSCRIPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

Initial Issue Price

The first issue of units of the existing Classes were made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan China A-Share Opportunities (acc) - HKD	HK$10.00
JPMorgan China A-Share Opportunities (acc) - RMB	RMB10.00
JPMorgan China A-Share Opportunities (acc) - USD	US$10.00

In addition, the first issue of units of the following Classes will be made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan China A-Share Opportunities - Class C (acc) - RMB	RMB10.00
JPMorgan China A-Share Opportunities - Class C (acc) - USD	US$10.00

Procedure for Application

The minimum lump sum investment for each Class is normally HK$16,000 (or its equivalent in another currency) for the JPMorgan China A-Share Opportunities (acc) - HKD Class, US$2,000 (or its equivalent in another currency) for the JPMorgan China A-Share Opportunities (acc) - USD Class and RMB16,000 (or its equivalent in another currency) for the JPMorgan China A-Share Opportunities (acc) - RMB Class. In respect of Class C, the minimum lump sum investment of such Class is normally US$10,000,000 or its equivalent in another currency. The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment as permitted under the constitutive documents of the Fund and in respect of dealing through other channels as determined by the Manager from time to time.

REDEMPTIONS

Save for the arrangements for partial redemptions in respect of certain Classes and the procedure on payment of redemption monies set out in the sub-section entitled "Procedure for Redemption" below, the section entitled "REDEMPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

Procedure for Redemption

The procedure on payment of redemption monies which applies to this Fund is set out below.

Partial redemptions of holdings of the Fund are permitted, provided that they do not result in a unitholder holding units in the JPMorgan China A-Share Opportunities (acc) - HKD Class having an aggregate value of less than normally HK$16,000 (or its equivalent in another currency), in the JPMorgan China A-Share Opportunities (acc) - USD Class having an aggregate value of less than normally US$2,000 (or its equivalent in another currency), in the JPMorgan China A-Share Opportunities (acc) - RMB Class having an aggregate value of less than normally RMB16,000 (or its equivalent in another currency) or in the Class C having an aggregate value of less than normally US$10,000,000 or its equivalent in another currency, after the request had been processed. If a redemption or switch request results in a holding below HK$16,000 for the JPMorgan China A-Share Opportunities (acc) - HKD Class (or its equivalent in another currency), US$2,000 for the JPMorgan China A-Share Opportunities (acc) - USD Class (or its equivalent in another currency), RMB16,000 for the JPMorgan China A-Share Opportunities (acc) - RMB Class (or its equivalent in another currency) or US$10,000,000 or its equivalent in another currency for Class C, after the request had been processed, the Manager may, at its absolute discretion, treat the redemption or switch request as an instruction to redeem or switch, as appropriate, the total holding in the relevant Class.

Redemption proceeds will normally be made by telegraphic transfer. Unitholders may be liable for any bank charges on payment by telegraphic transfer.

Redemption proceeds for each Class will normally be paid in the relevant Class Currency. Arrangements may be made with the Manager for unitholders to receive payment in any other freely convertible currency. Unitholders are advised to contact the Manager for details of such arrangements. Any exchange costs will be deducted from the redemption monies.

SWITCHING

For the details on how to switch between Classes of units within the same Fund or between the Fund and other funds managed by the Manager or in respect of which the Manager acts as Hong Kong representative, please refer to the section entitled "SWITCHING" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

FEES, CHARGES AND LIABILITIES

Initial and Redemption Charges

The Manager may make an initial charge (normally up to 5 per cent. of the net asset value per unit of the relevant Class) from the gross subscription amount on the issue of units where applicable.

The Manager may also levy a redemption charge (normally up to 0.5 per cent. of the net asset value per unit of the relevant Class) from the redemption monies on the redemption of units where applicable. However, the Manager does not currently levy any redemption charge.

The Manager reimburses approved intermediaries, which include banks, brokers, recognised securities dealers and other investment advisers (collectively, "Distributors"), a proportion of the commissions, fees, charges or other benefits received by it on the value of the relevant business introduced to the Fund.

Management Fee

The Manager is entitled to receive a management fee of up to 2.5 per cent. per annum of the net asset value of each Class. However, the Manager currently receives a fee of 1.75 per cent. per annum of the net asset value of each Class other than Class C. For Class C, the Manager currently receives a fee of 0.875 per cent. per annum of the net asset value of each Class. The Manager may only increase the level of its fee (which may not exceed 2.5 per cent. per annum of the net asset value of each Class) by giving to the Trustee and unitholders not less than one month's notice of the increased level of management fee. The management fee shall accrue daily based on the net asset value of each Class on each dealing day and shall be payable monthly in arrears. If the assets of the Fund include interests in any unit trust or other collective investment scheme managed by the Manager or its Connected Persons, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the relevant Class' interest in such unit trust or scheme. Where the Fund invests in any underlying scheme(s) managed by the Manager and/or the Investment Manager or any of their Connected Persons, all initial charges and redemption charges on the underlying scheme(s) shall be waived. The Manager and/or the Investment Manager of the Fund may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company.

The fees of the Investment Manager will be borne by the Manager.

Trustee Fee

The Trustee is entitled to receive a trustee fee of 0.2 per cent. per annum of the net asset value of the Fund. However, the Trustee currently receives a fee at the following rates of the Fund's net asset value:-

	Rate (per annum)
On the first RMB 270,000,000	0.06%
On the next RMB 200,000,000	0.04%
On the balance over RMB 470,000,000	0.025%

The Trustee may only increase the level of its fee (which may not exceed 0.2 per cent. per annum) with the agreement of the Manager and by giving to the unitholders not less than one month's notice of the increased level of trustee fee. The trustee fee shall accrue daily based on the net asset value of the Fund on each dealing day and shall be payable monthly in arrears.

RQFII Custodian Fee

The RQFII Custodian fee is not included in the above Trustee fee. In addition to the above Trustee fee, a separate custody fee of 0.075% per annum of the month end market value of the Fund's investment in securities listed on the PRC stock exchanges, and the related transaction fees will be paid by the Fund to the Trustee who will then cover the fees incurred by the RQFII Custodian (i.e. the RQFII Custodian fee).

For details of the current fees and charges in respect of dealings made through any other channels from time to time specified by JPMorgan Funds (Asia) Limited, please consult JPMorgan Funds (Asia) Limited.

Fiscal Charges

For details of the fiscal charges policy of the Fund, please refer to the sub-section entitled "Fiscal Charge" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Other Liabilities

Save for the cost of establishing the Fund, details under the sub-section entitled "Other Liabilities" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

The cost of establishing the Fund which has not been fully amortised as at the date of this Explanatory Memorandum amounts to approximately HK$471,000. These costs will be borne by the Fund and amortised by no later than the third financial year end (for the avoidance of doubt, if the Fund were to terminate for whatever reason before the third financial year end, any such cost remaining unamortised would be written off upon the Fund's termination).

CONFLICTS OF INTEREST

For details of the Manager's current policy on conflicts of interest, please refer to the section entitled "CONFLICTS OF INTEREST" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

TAXATION

The following sub-sections under Section D – TAX NOTES of the Consolidated Explanatory Memoranda apply to the Fund:

(i) "(i) General";

(ii) the sub-paragraph entitled "Hong Kong" under the sub-section entitled "(ii) Taxation of Funds in their Country/Region of Formation";

(iii) "(iii) Taxation of Unitholders"; and

(iv) the sub-paragraph entitled "The People's Republic of China ("PRC")" under the sub-section entitled "(iv) Investment Markets".

REPORTS AND ACCOUNTS

For details of the reports and accounts of the Fund, please refer to the section entitled "REPORTS AND ACCOUNTS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

GENERAL

Save for the provisions on "Documents Available for Inspection", the general provisions under the section entitled "GENERAL" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

The provisions on "Documents Available for Inspection" which apply to this Fund are set out below.

Documents Available for Inspection

Copies of the following documents are available for inspection free of charge during normal working hours at the offices of the Manager:

(i) Trust Deed and Base Terms;

(iii) Investment Management Agreement;

(iv) the RQFII Custody Agreement between the Investment Manager (as RQFII holder) and the RQFII Custodian; and

(iv) the Participation Agreement between the Manager, Investment Manager (as RQFII holder), the Trustee and the RQFII Custodian.

MANAGEMENT AND ADMINISTRATION DIRECTORY

Manager and Service Provider

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Trustee

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Directors of JPMorgan Funds (Asia) Limited

Chan, Tsun Kay, Edwin
Ebrahim, Ayaz
Leung, Kit Yee, Elka
Roberts, Ioan William
Watkins, Daniel James

RQFII Custodian

China Construction Bank Corporation
No.25, Finance Street
Xicheng District
Beijing 100033
People's Republic of China

Investment Manager and RQFII Holder

JPMorgan Asset Management (Asia Pacific) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Registrar

HSBC Trustee (Cayman) Limited
PO Box 484
HSBC House
68 West Bay Road
Grand Cayman KY1-1106
Cayman Islands

Auditors

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
1 Des Voeux Road Central
Hong Kong

Additional information is available from: -

JPMorgan Funds (Asia) Limited
GPO Box 11448
Hong Kong

Telephone: (852) 2265 1188
Facsimile: (852) 2868 5013

JPMorgan China Income Fund

INTRODUCTION

JPMorgan China Income Fund ("Fund") is a unit trust constituted by a Trust Deed dated 21 May 2009, as amended from time to time ("Trust Deed") governed by the laws of Hong Kong. The Fund has been authorised as a collective investment scheme in the form of a unit trust by the Securities and Futures Commission ("SFC") under Section 104 of the *Securities and Futures Ordinance* (Cap. 571 of the Laws of Hong Kong) ("SFO") and the Code on Unit Trusts and Mutual Funds ("SFC Code"). SFC authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Fund's portfolio is subject to market fluctuations and exchange rate control or fluctuations and to the risks inherent in all investments. Therefore, the value of the Fund and the level of distributions (if any) may go down as well as up.

FUND PARTIES

The Fund is managed by JPMorgan Funds (Asia) Limited ("Manager"), a company incorporated with limited liability under the laws of Hong Kong.

Day-to-day investment management of the Fund has been delegated to JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited) ("Investment Manager"), a company incorporated with limited liability in Hong Kong. The Investment Manager has appointed China International Fund Management Co., Ltd. ("Investment Adviser"), a company incorporated in the People's Republic of China ("PRC"), to provide non-discretionary investment advice on A-Shares. The Investment Manager has further delegated the currency management of the Currency Hedged Classes to JPMorgan Asset Management (UK) Limited ("Sub-Manager"), a company incorporated in England and Wales.

HSBC Institutional Trust Services (Asia) Limited acting as trustee of the Fund ("Trustee"), is incorporated in Hong Kong and is registered as a trust company under the Trustee Ordinance in Hong Kong. The Trustee is an indirect wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. Under the Trust Deed, the Trustee is responsible for the safe-keeping of the Fund's investments subject to the terms of the trust deed and this Explanatory Memorandum. The HSBC Group has adopted a policy of compliance with the sanctions issued by The Office of Foreign Assets Control of the US Department of the Treasury.

Please refer to the section entitled "FUND PARTIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds in relation to the liabilities of each of the parties described herein.

HSBC Trustee (Cayman) Limited is the registrar of the Fund ("Registrar") and is incorporated with limited liability in the Cayman Islands. The Registrar is responsible for keeping the register of unitholders.

INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS

Investment Objective and Policy

The investment objective of the Fund is to provide investors with income and long-term capital growth by investing primarily (i.e. at least 70% of its total net asset value in (a) equity securities of companies which are based in, listed on any stock exchange of, or operate principally in the PRC and that the Investment Manager expects to pay dividends and (b) Chinese debt securities issued and/or distributed in or outside the PRC.

The Fund may vary its asset allocation in response to market conditions. Asset allocation decisions are the result of qualitative and quantitative research into a range of fundamental factors such as economic outlook, official policy actions, market valuation levels, investor sentiment and positioning. The Manager, Investment Manager and/or Sub-Manager exercise a judgment as to the relative importance of various fundamental conditions as well as degree of conviction in establishing the asset class allocations in the Fund.

The Fund may invest up to 50% of its total net asset value in onshore PRC securities via the Qualified Foreign Institutional Investor ("QFII") quota of the Investment Manager.

The Fund may invest up to 100% of its total net asset value in certain eligible China A-Shares via China Connect (as further described in the sub-section headed "China Connect" below) and/or other similar programs as approved by the relevant regulators from time to time. The Fund may invest 30% or more of its total net asset value in stocks listed on the Small and Medium Enterprise Board and/or the ChiNext Board of the Shenzhen Stock Exchange and/or the Science and Technology Innovation Board of the Shanghai Stock Exchange.

The Fund may invest up to 60% of its total net asset value in Chinese debt securities issued and/or distributed in or outside the PRC, including but are not limited to bonds, money market instruments and other debt securities which are issued by the Chinese issuers such as government, quasi-government organizations, agencies, financial institutions, and other corporations, organizations or entities domiciled in the PRC. The Chinese debt securities issued and/or distributed in the PRC are traded on the listed bond markets and/or the CIBM. The Fund will invest in Chinese debt securities traded in the CIBM through the CIBM Initiative and/or Bond Connect.

The Fund may invest less than 30% of its total net asset value in aggregate in:

(i) below investment grade bonds (i.e. (a) bonds rated Ba1 or below by Moody's or BB+ or below by Standard & Poor's or such other terms used by international accredited rating agencies or (b) unrated bonds but their issuers are rated Ba1 or below by Moody's or BB+ or below by Standard & Poor's or such other terms used by international accredited rating agencies); or

(ii) bonds rated BB+ or below by a PRC credit rating agency or unrated bonds but their issuers are rated BB+ or below by a PRC credit rating agency; or

(iii) unrated bonds (i.e. both the bonds and issuers are unrated by Moody's, Standard & Poor's, other international accredited rating agencies or PRC credit rating agencies).

The Fund may not invest more than 10% of its total net asset value in each type of the following instruments:

(i) urban investment bonds[1](城投債); and

(ii) asset backed securities (including asset backed commercial papers).

The Fund may invest up to 10% of its total net asset value in instruments with loss-absorption features (e.g. contingent convertible debt securities, certain types of senior non-preferred debts, etc.).

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.

Subject to the investment restrictions as stipulated in the sub-section entitled "Investment Restrictions and Guidelines" below and subject to the relevant PRC laws and regulations, the Fund may also invest in derivatives such as options, warrants and futures for investment purposes.

The investment objective, policy and investment restrictions and guidelines of the Fund may, subject to the approval of the Trustee and/or the SFC (as applicable), vary from time to time where the Manager considers appropriate in the circumstances.

Currency Hedged Classes

Investors who invest in the Currency Hedged Classes should refer to the section entitled "CLASSES OF UNITS" for details on the objective, strategy and risks associated with the Currency Hedged Classes.

Investment Restrictions and Guidelines

The Fund may invest in anything into which a person may invest, subject to the investment restrictions as stipulated in the section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Notwithstanding the above, the following investment restrictions and guidelines are also applicable to the Fund:

(i) The aggregate value of the Fund's holding of securities issued by any single issuer which exceeds 5 per cent. of its total net asset value may not exceed 40 per cent. of the total net asset value of the Fund.

(ii) The value of the Fund's holding of securities neither listed nor quoted on a market may not exceed 10 per cent. of its total net asset value.

For the purposes of (ii), market means any stock exchange, over-the-counter market or other organised securities market that is open to the international public and on which such securities are regularly traded.

[1] Urban investment bonds are debt instruments issued by mainland China local government financing vehicles ("LGFVs"). These LGFVs are separate legal entities established by local governments and/or their affiliates to raise financing for public welfare investment or infrastructure projects.

(iii) The value of the Fund's investment in (a) equity securities of companies which are based in, listed on any stock exchange of, or operate principally in China and that the Investment Manager expects to pay dividends and (b) Chinese debt securities issued and/or distributed in or outside the PRC shall not be less than 70 per cent. of its total net asset value.

(iv) The Fund may not sell short any securities.

(v) The Fund may invest up to 100 per cent. of its total net asset value in China A-Shares via China Connect.

Borrowing and Leverage

For information about the borrowing and leverage of the Fund, please refer to the section entitled "Borrowing and Leverage" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Securities Financing Transactions Policy

For the securities financing transactions policy of the Fund, please refer to the section entitled "Securities Financing Transactions Policies" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

China Connect

The section entitled "Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (collectively the "China Connect")" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

RISKS

The performance of the Fund will be affected by a number of risk factors, including the risk factors as set out in the section entitled "RISKS" in section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

In addition, the following risk factors are applicable to the Fund:

(i) China market risk – Investing in the securities markets in the PRC is subject to the risks of investing in emerging markets generally and the risks specific to the PRC market.

Many of the PRC economic reforms are unprecedented or experimental and are subject to adjustment and modification, and such adjustment and modification may not always have a positive effect on foreign investment in joint stock companies in the PRC or in listed securities such as "A", "B" and "H" shares.

The choice of "A", "B" and "H" share issues currently available to the Manager may be limited as compared with the choice available in other markets. There may also be a lower level of liquidity in the PRC "A" and "B" share markets, which are relatively smaller in terms of both combined total market value and the number of "A" and "B" shares which are available for investment as compared with other markets. This could potentially lead to severe price volatility. There may also be potential settlement difficulties in the PRC market.

The national regulatory and legal framework for capital markets and joint stock companies in the PRC are still developing when compared with those of developed countries. Most of the joint stock companies with listed A-Shares have undergone split-share structure reform to convert state owned shares or legal person shares into transferable shares with the intention to increase liquidity of A-Shares. However, the effects of such reform on the A-Share market as a whole and other PRC securities remain to be seen. In addition, trading band limits may be imposed by the PRC stock exchanges on China A-Shares, where trading in a China A-Share security on the relevant PRC stock exchange may be suspended if the trading price of such security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the Fund to liquidate its positions (if any) in such security. Also, it may not be possible for the Fund to liquidate positions at a favourable price even when the suspension is lifted. Such trading band limit may therefore adversely affect the Fund's investment in China A-Shares.

PRC companies are required to follow PRC accounting standards and practice which, to a certain extent, follow international accounting standards. However, there may be significant differences between financial statements prepared by accountants following PRC accounting standards and practice and those prepared in accordance with international accounting standards.

Both the Shanghai and Shenzhen securities markets are in the process of development and change. This may lead to trading volatility, difficulty in the settlement and recording of transactions and difficulty in interpreting and applying the relevant regulations.

Investments in the PRC will be sensitive to any significant change in political, social or economic policy in the PRC, which includes possible government intervention. Such sensitivity may, for the reasons specified above, adversely affect the capital growth and thus the performance of these investments. The PRC government or the regulators may also implement policies that may affect the financial markets.

The PRC government's control of currency conversion and future movements in exchange rates may adversely affect the operations and financial results of the companies that issue the relevant PRC securities invested in by the Fund.

In light of the above mentioned factors, the price of PRC securities may fall significantly in certain circumstances and may have an adverse effect on the Fund's performance.

(ii) QFII risk – Under the prevailing regulations in the PRC, foreign investors can invest in the securities of the Chinese domestic securities market pursuant to the applicable QFII rules and regulations ("QFII Eligible Securities") through institutions that have obtained QFII status in the PRC. The current QFII regulations impose strict restrictions (such as investment guidelines) on QFII Eligible Securities investment.

The Fund itself is not a QFII, but may invest directly in QFII Eligible Securities via the QFII status of the Investment Manager and/or other QFII holders. The QFII status could be revoked, in particular because of material violations of rules and regulations by the QFII. If the Investment Manager loses its QFII status, the Fund may not be able to invest directly in QFII Eligible Securities and may be required to dispose of its holdings which would likely have a material adverse effect on the Fund.

The Investment Manager has assumed dual roles as the investment manager of the Fund and the QFII holder for the Fund. The Investment Manager will ensure all transactions and dealings will be dealt with having regard to the constitutive documents of the Fund as well as the relevant laws and regulations applicable to the Investment Manager as QFII. If any conflicts of interest arise, the Manager will in conjunction with the Trustee seek to ensure that the Fund is managed in the best interests of unitholders and the unitholders are treated fairly.

The Investment Manager's QFII investment quota is granted to it as a whole and not simply to investments made by the Fund. There can be no assurance that the Investment Manager will be able to allocate a sufficient portion of its QFII investment quota to meet all applications for subscription to the Fund, or that redemption requests can be processed in a timely manner due to adverse changes in relevant laws or regulations, including changes in QFII repatriation restrictions. Such restrictions may result in suspension of dealings of the Fund.

In extreme circumstances, the Fund may incur significant loss due to limited investment capabilities, or may not be able to fully implement or pursue its investment objective or strategy, due to QFII investment restrictions, illiquidity of the Chinese domestic securities market, and/or delay or disruption in execution of trades or in settlement of trades, and/or change in the applicable laws, rules and regulations (including restrictions on investments and repatriation of principal and profits) in the PRC and such change may have potential retrospective effect.

QFII Eligible Securities acquired by the Fund through the QFII facility will be maintained by the QFII's local custodian in the PRC ("PRC Custodian"), in electronic form via the securities account(s) in such name as may be permitted or required in accordance with PRC law with the China Securities Depository and Clearing Corporation Limited and/or other relevant depositories. The PRC Custodian is China Construction Bank Corporation which is one of the largest banks in the PRC. Pursuant to an operating agreement entered into between the Investment Manager as the QFII, the PRC Custodian and the Trustee relating to the custody, operation and management of the Fund's assets in the PRC, the PRC Custodian is responsible for providing custody services to the Fund's cash and securities assets in the PRC. The QFII will also select brokers ("PRC Brokers") to execute transactions for the Fund in the PRC markets. The Investment Manager as QFII has established futures account with PRC Broker. Futures margin will be placed in an account of such PRC Broker with a licensed futures margin depository bank in the PRC in accordance with applicable laws and regulations. The Fund may incur losses due to the acts or omissions or insolvency of the PRC Brokers or the PRC Custodian in the execution or settlement of any transaction or in the transfer of any funds or securities. Subject to the applicable laws and regulations in the PRC, the Manager will make arrangements to ensure that the PRC Brokers and the PRC Custodian have appropriate procedure to properly segregate the Fund's assets from the assets of the relevant PRC Brokers and the PRC Custodian.

According to the CSRC's Provisions on Issues relating to Implementation of the Administration Measures for the Domestic Securities Investment by Qualified Foreign Institutional Investors ("CSRC Provisions"), the securities account(s) for the Fund in the PRC is(are) currently required to be maintained in the joint names of the Investment Manager as the QFII and the Fund. Although the CSRC Provisions indicates that the assets in such account(s) would belong to the Fund, such Provisions serves as a regulation promulgated by the CSRC and may be amended, superseded or invalidated by the CSRC, and does not have equal force of the law enacted by legislative bodies in the PRC.

There are rules and restrictions under current QFII regulations including rules on remittance of principal, investment restrictions, and repatriation of principal and profits. Any restrictions on repatriation of principal and profits may impact on the Fund's ability to meet redemption requests from the unitholders.

Investments in QFII Eligible Securities will be made through the QFII in Renminbi. The Fund will be exposed to any fluctuation in the exchange rate between US dollars and Renminbi in respect of such investments.

Investors should also note that direct investments in QFII Eligible Securities through QFIIs are subject to compliance with the investment restrictions currently imposed under QFII regulations in the PRC, as amended from time to time, which are applied on each foreign investor investing through QFIIs and which will affect the ability of the Fund to invest in QFII Eligible Securities.

(iii) Risk associated with foreign shareholding restrictions on China A-Shares – Investments on China A-Shares through QFII investment quotas and China Connect are subject to the following shareholding restrictions:

- Single foreign investors' shareholding by any Hong Kong or overseas investor (such as the Fund) in a China A-Share must not exceed 10% of the total issued shares; and
- Aggregate foreign investors' shareholding by all Hong Kong and overseas investors (such as the Fund) in a China A-Share must not exceed 30% of the total issued shares.

When Hong Kong and overseas investors carry out strategic investments in listed companies in accordance with the "Measures for the Administration of Strategic Investment of Foreign Investors in Listed Companies"（《外國投資者對上市公司戰略投資管理辦法》）, the shareholding of the strategic investments is not capped by the abovementioned percentages.

Should the shareholding of a single investor in a China A-Share listed company exceed the above restriction, the investor would be required to unwind his position on the excessive shareholding according to a last-in-first-out basis within a specific period. The SSE/SZSE (as the case may be) and the SEHK will issue warnings or restrict the buy orders for the related China A-Shares if the percentage of total shareholding is approaching the upper limit.

As there are limits on the total shares held by all underlying foreign investors in one listed company in the PRC, the capacity of the Fund to make investments in A-Shares will be affected by the activities of all underlying foreign investors investing through QFIIs or China Connect or any other permissible ways to obtain A-Shares investment exposures, not just the Investment Manager as QFII itself or other investors who make investment through the QFII status of the Investment Manager or other investors who make investment through China Connect.

(iv) Risk associated with short swing profit rule – According to the PRC Securities Law（中華人民共和國證券法）, a shareholder of 5% or more of the total issued shares of a PRC listed company ("major shareholder") has to return any profits obtained from the purchase and sale of shares of such PRC listed company if both transactions occur within a six-month period. In the event that the Fund or the Investment Manager (deemed as person acting in concert) becomes a major shareholder of a PRC listed company by investing in China A-Shares via QFII investment quotas or China Connect, the profits that the Fund may derive from such investments may be limited, and thus the performance of the Fund may be adversely affected.

(v) PRC exchange traded stock index futures risk – The PRC futures exchanges are in the process of development. This may lead to greater trading volatility, difficulty in settlement and uncertainty in interpreting and applying the relevant regulations. The China Financial Futures Exchange ("CFFEX") has granted a hedging quota to the Investment Manager (as the QFII) specifically for the use by the Fund to invest directly in PRC exchange traded stock index futures contracts for hedging purpose. The hedging quota is subject to an intra day turnover limit imposed by the CSRC. There is no guarantee that the hedging quota will be used, or if used, will achieve the desired result. In addition, the hedging quota has a fixed term. There is no guarantee that the Investment Manager (as QFII) will renew its application for the Fund after expiry of the term or the CFFEX will approve any application for renewal or whether the same amount of hedging quota will be granted. Any changes in the relevant regulations may also affect the hedging quota or any renewal application. Please also refer to the "Derivative risk" under the section entitled "RISKS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds for general risk in relation to derivatives investments.

(vi) RMB currency risk – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the People's Republic of China. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including

US dollars and HK dollars, are susceptible to movements based on external factors. Accordingly, the investment in Classes denominated in RMB may be adversely affected by the fluctuations in the exchange rate between RMB and other foreign currencies.

RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government.

Classes denominated in RMB will generally be valued with reference to RMB (CNH) rather than RMB (CNY). While RMB (CNH) and RMB (CNY) represent the same currency, they are traded in different and separate markets which operate independently and trade at different rates. As such RMB (CNH) does not necessarily have the same exchange rate and may not move in the same direction as RMB (CNY). Any divergence between CNH and CNY may adversely impact investors.

Classes denominated in RMB participate in the offshore RMB (CNH) market, which allow investors to freely transact CNH outside of mainland China. Classes denominated in RMB will have no requirement to remit CNH to onshore RMB (CNY). Non-RMB based investors (e.g. Hong Kong investors) in Classes denominated in RMB may have to convert HK dollars or other currencies into RMB when investing in Classes denominated in RMB and subsequently convert the RMB redemption proceeds and/or distributions (if any) back to HK dollars or such other currencies. Investors will incur currency conversion costs and may suffer losses depending on the exchange rate movements of RMB relative to HK dollars or such other currencies. Also, there can be no assurance that RMB will not be subject to devaluation and any depreciation of RMB could adversely affect the value of the investor's investment in the Fund.

Even if the Fund aims at paying redemption monies and/or distributions of RMB denominated Classes in RMB, the Manager may, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, pay redemption monies and/or distributions in the Fund's base currency. There is also a risk that payment of redemption monies and/or distributions in RMB may be delayed when there is not sufficient amount of RMB for currency conversion for settlement of the redemption monies and distributions in a timely manner due to the exchange controls and restrictions applicable to RMB. In any event, the redemption proceeds will be paid not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.

(vii) Risks associated with the China Connect – The Fund may invest through the China Connect. In addition to the risks associated with the China market, RMB currency risk, risk associated with foreign shareholding restrictions on China A-Shares and risk associated with short swing profit rule it is also subject to the following additional risks:

Quota limitations

- China Connect is subject to daily quota limitations. In particular, once the remaining balance of the relevant Northbound Daily Quota drops to zero or the relevant Northbound Daily Quota is exceeded during the opening call session, new buy orders will be rejected (though investors will be allowed to sell their cross boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the Fund's ability to invest in China A-Shares through China Connect on a timely basis, and the Fund may not be able to effectively pursue its investment strategies.

Suspension risk

- It is contemplated that each of SEHK, SSE and SZSE would reserve the right to suspend Northbound and/or Southbound trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the Northbound trading through China Connect is effected, the Fund's ability to access the PRC market will be adversely affected. The Fund may therefore not be able to sell the A shares acquired via China Connect to meet any redemption requests in timely manner. In such event, the Fund's ability to achieve its investment objective could be negatively affected.

Operational risk

- The China Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

- It should be appreciated that the securities regimes and legal systems of the two markets differ significantly and in order for the trial program to operate, market participants may need to address issues arising from the differences on an on-going basis.

- Further, the "connectivity" in the China Connect program requires routing of orders across the border. This requires the development of new information technology systems on the part of the SEHK and exchange participants (i.e. a new order routing system ("China Stock Connect System") set up by SEHK to which exchange participants need to connect). There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both Hong Kong and Shanghai or Shenzhen (as the case maybe) markets. In the event that the relevant systems failed to function properly, trading in both Hong Kong and Shanghai or Shenzhen (as the case maybe) markets through the program could be disrupted. The Fund's ability to access the China A-Share market (and hence to pursue its investment strategy) will be adversely affected.

Restrictions on selling imposed by front-end monitoring

- PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise SSE or SZSE (as the case may be) will reject the sell order concerned. SEHK will carry out pre-trade checking on China A-Shares sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

- If the Fund desires to sell certain China A-Shares it holds, it must transfer those China A-Shares to the respective accounts of its brokers before the market opens on the day of selling ("trading day") unless its brokers can otherwise confirm that the Fund has sufficient shares in its account. If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, the Fund may not be able to dispose of holdings of China A-Shares in a timely manner.

- Alternatively, if the Fund maintains its China A-Shares with a custodian which is a custodian participant or general clearing participant participating in CCASS, the Fund may request such custodian to open a special segregated account ("SPSA") in CCASS to maintain its holdings in China A-Shares under the enhanced pre-trade checking model. Each SPSA will be assigned a unique "Investor ID" by CCASS for the purpose of facilitating the China Connect system to verify the holdings of an investor such as the Fund. Provided that there is sufficient holding in the SPSA when a broker inputs the Fund's sell order, the Fund will only need to transfer China A-Shares from its SPSA to its broker's account after execution and not before placing the sell order and the Fund will not be subject to the risk of being unable to dispose of its holdings of China A-Shares in a timely manner due to failure to transfer China A-Shares to its brokers in a timely manner.

Recalling of eligible stocks

- When a stock is recalled from the scope of eligible stocks for trading via China Connect, the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the Fund, for example, when the Manager wishes to purchase a stock which is recalled from the scope of eligible stocks.

Clearing and settlement risk

- The HKSCC and ChinaClear has established the clearing links and each will become a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

- Should the remote event of ChinaClear default occur and ChinaClear be declared as a defaulter, HKSCC's liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the Fund may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

Participation in corporate actions and shareholders' meetings

- HKSCC will keep CCASS participants informed of corporate actions of SSE and SZSE securities. Hong Kong and overseas investors (including the Fund) will need to comply with the arrangement and deadline specified by their respective brokers or custodians (i.e. CCASS participants). The time for them to take actions for some types of corporate actions of China A-Shares may be as short as one business day only. Therefore, the Fund may not be able to participate in some corporate actions in a timely manner.

- Hong Kong and overseas investors (including the Fund) are holding China A-Shares traded via the China Connect program through their brokers or custodians. According to existing mainland practice, multiple proxies are not available. Therefore, the Fund may not be able to appoint proxies to attend or participate in shareholders' meetings in respect of the China A-Shares.

Risk of default by brokers

- Investment through China Connect is conducted through broker(s), and is subject to the risks of default by such broker(s) in their obligations.

Regulatory risk

- China Connect is subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under China Connect.

- It should be noted that the rules and regulations are untested and there is no certainty as to how they will be applied. Moreover, the current rules and regulations are subject to change which may have potential retrospective effect. There can be no assurance that China Connect will not be abolished. The Fund, which may invest in the PRC markets through China Connect, may be adversely affected as a result of such changes.

(viii) People's Republic of China ("PRC") tax risk consideration – There are risks and uncertainties associated with the current PRC tax laws, regulations and practice on the Fund's investments in the PRC. Any increased tax liabilities on the Fund may adversely affect the Fund's value. The Manager and Investment Manager reserve the right to provide for tax on gains of the Fund that invests in PRC securities thus impacting the valuation of the Fund. Based on professional and independent tax advice, except for gains from China A-Shares trading through China Connect or Qualified Foreign Institutional Investors or Renminbi Qualified Foreign Institutional Investors and interest derived by foreign institutional investors from bonds traded on PRC bond market which are specifically exempt under temporary exemptions from the prevailing PRC tax regulations, a tax provision of 10% is fully provided for all PRC sourced income (including gains from PRC securities, dividends and interest) until sufficient clarity is given by the PRC authorities to exempt specific types of PRC sourced income (e.g. gains from PRC bonds).

With the uncertainty of whether and how certain gains on PRC securities are to be taxed, the possibility of the laws, regulations and practice in the PRC changing, and the possibility of taxes being applied retrospectively, any provision for taxation made by the Manager and/or the Investment Manager may be excessive or inadequate to meet final PRC tax liabilities on gains derived from the disposal of PRC securities. In case of any shortfall between the provisions and actual tax liabilities, which will be debited from the Funds' assets, the Funds' net asset value will be adversely affected. Depending on the timing of investors' subscriptions and/or redemptions, they may be disadvantaged as a result of any shortfall of tax provision and/or not having the right to claim any part of the overprovision (as the case may be).

For more information on the PRC taxation of PRC securities and the provisioning for such taxation, please refer to the sub-paragraph entitled "The People's Republic of China ("PRC")" under the sub-section entitled "(iv) Investment Markets" under Section D – TAX NOTES of the Consolidated Explanatory Memoranda.

(ix) Connected party risk – The Fund will be investing in A-Shares and fixed income instruments via the QFII status of the Investment Manager. Although the Manager, the Investment Manager and the Investment Adviser are all part of the JPMorgan group of companies, each of such entities will operate independently in assuming their respective duties and obligations in relation to the Fund and are subject to the supervision of their relevant industry regulators. All transactions and dealings between such entities in relation to the Fund will be dealt with on arm's length basis having regard to the constitutive documents of the Fund as well as the relevant regulatory codes applicable to such entities. In the unlikely event that conflicts of interest arise, the Manager in conjunction with the Trustee will seek to ensure that the Fund is managed in the best interests of unitholders and the unitholders are treated fairly.

(x) Custodial risk – The Trustee may appoint directly or indirectly custodians or sub-custodians in local markets for the purposes of safekeeping of assets in those markets. The Trustee's liability shall not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The Trustee must exercise care and diligence in the selection and appointment of a custodian or sub-custodian as a safekeeping agent so as to ensure that the custodian or sub-custodian has and maintains the expertise, competence and standing appropriate to discharge the responsibilities concerned and

the Trustee must maintain an appropriate level of supervision over the custodian or sub-custodian and make appropriate enquiries from time to time to confirm that the obligations of the custodian or sub-custodian continue to be competently discharged. The Trustee will not however be responsible for any loss suffered by the Fund by reason only of the liquidation, bankruptcy or insolvency of any such custodian or sub-custodian which are not member of the group of companies to which the Trustee belongs.

(xi) PRC Brokerage risk – The execution and settlement of transactions or the transfer of any funds or securities may be conducted by PRC Brokers appointed by the Investment Manager (as QFII holder).

There is a risk that the Fund may suffer significant losses from the default, disqualification or bankruptcy of the PRC Brokers, including losses of any futures margin held by PRC futures brokers in the event of their bankruptcy. In these events, the Fund may be adversely affected in the execution or settlement of any transaction or in the transfer of any funds or securities.

In selection of PRC Brokers, the Investment Manager (as QFII holder) will have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards. The Investment Manager will exercise reasonable care and diligence in the selection, appointment and ongoing monitoring of the PRC Brokers and ensure it is satisfied that the PRC Brokers remain suitably qualified and competent to provide the relevant service. If the Investment Manager considers appropriate, it is possible that a single PRC Broker will be appointed and the Fund may not necessarily pay the lowest commission available in the market.

(xii) Risks associated with debt securities – the Fund's investments in debt securities are subject to the following risks:

- Below investment grade/lower rated or unrated investment risk – The Fund may invest in bonds and other debt securities which are unrated or with ratings below investment grade or rated BB+ or below by a PRC credit rating agency. Accordingly, such investment will be accompanied by a higher degree of credit and liquidity risk than is present with investment in higher rated securities. During economic downturns such bonds typically fall more in value than investment grade bonds as such are often subject to a higher risk of issuer default. The net asset value of the Fund may decline or be negatively affected if there is a default of any of the bonds with credit rating of below investment grade that the Fund invests in or if interest rates change.

- Investment grade bond risk – Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review such assigned ratings and bonds may therefore be downgraded in rating if economic circumstances (e.g. subject to market or other conditions) impact the relevant bond issues. Downgrading of the bonds may adversely affect the value of the relevant bonds and therefore the performance of the Fund. The Fund may or may not be able to dispose of the bonds that are downgraded. Also, the Fund may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.

- Credit risk – If the issuer of any of the securities in which the Fund's assets are invested defaults, the performance of the Fund will be adversely affected and the Fund could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the Fund. Decline in credit quality of the issuer may adversely affect the valuation of the relevant bonds and the Fund. The credit ratings assigned by credit rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or the issuer at all times.

- PRC credit rating agency risk - In relation to debt instruments rated by PRC credit rating agencies, the credit appraisal system in the mainland China and the rating methodologies employed in the mainland China may be different from those employed in other markets. Credit ratings given by mainland China rating agencies may therefore not be directly comparable with those given by other international rating agencies.

- Valuation risk – Valuation of the Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund.

- Interest rates risk – Interest rates in the countries in which the Fund's assets will be invested may be subject to fluctuations. Any such fluctuations may have a direct effect on the income received by the Fund and its capital value. Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. The prices of bonds generally increase when interest rates decline and decrease when interest rates rise. Longer term bonds are usually more sensitive to interest rate changes. Given the historically low interest rate environment, risks associated with rising rates are heightened. The performance of the Fund may therefore be adversely affected.

- Sovereign debt risk – The Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Fund to participate in restructuring such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers.

(xiii) Payment of distributions out of capital risk – Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realised and unrealised capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment. As a result, the capital that the Fund has available for investment in the future and capital growth may be reduced. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit. Also, a high distribution yield does not imply a positive or high return on the total investment. The distribution amount and the net asset value per unit of a Currency Hedged Class may be adversely affected by differences in the interest rates of the reference currency of the relevant Currency Hedged Class and the Fund's base currency, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other Classes of units.

The distribution amount and net asset value of the Currency Hedged Classes may be adversely affected by differences in the interest rates of the denominated currency of the Currency Hedged Classes and the base currency of the Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-Currency Hedged Classes.

(xiv) "Dim Sum" bond (i.e. bonds issued outside of the PRC but denominated in RMB) market risks – The "Dim Sum" bond market is still a relatively small market which is more susceptible to volatility and illiquidity. The operation of the "Dim Sum" bond market as well as new issuances could be disrupted causing a fall in the net asset value of the Fund should there be any promulgation of new rules which limit or restrict the ability of issuers to raise RMB by way of bond issuances and/or reversal or suspension of the liberalisation of the offshore RMB (CNH) market by the relevant regulator(s).

(xv) Risk relating to dynamic asset allocation strategy – The investments of the Fund may be periodically rebalanced and therefore the Fund may incur greater transaction costs than a fund with static allocation strategy.

(xvi) Risks associated with the investments in stocks listed on the Small and Medium Enterprise Board ("SME Board") and/or the ChiNext Board of the SZSE and/or the Science and Technology Innovation Board ("STAR Board") of the SSE – The Fund may invest in stocks listed on the SME Board and/or the ChiNext Board of the SZSE via the Shenzhen-Hong Kong Stock Connect and/or the STAR Board via the Shanghai-Hong Kong Stock Connect. Investments in the SME Board and/or ChiNext Board and/or STAR Board may result in significant losses for the Fund and its investors. The following additional risks apply:

<u>Higher fluctuation on stock prices and liquidity risk</u>

Listed companies on the SME Board, ChiNext Board and/or STAR Board are usually of emerging nature with smaller operating scale. In particular, listed companies on STAR Board are subject to wider price fluctuation limits, and due to higher entry thresholds for investors, stocks listed on STAR Board may have limited liquidity, compared to those listed on other boards. Hence, they are subject to higher fluctuation in stock prices and liquidity and have higher risks and turnover ratios than companies listed on the main board.

<u>Over-valuation risk</u>

Stocks listed on the SME Board, ChiNext Board and/or STAR Board may be given a higher valuation and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

<u>Differences in regulations applicable to ChiNext Board and STAR Board</u>

The rules and regulations regarding companies listed on ChiNext Board and STAR Board are less stringent in terms of profitability and share capital than those on the main board and SME Board.

<u>Delisting risk</u>

It may be more common and faster for companies listed on the SME Board, ChiNext Board and/or STAR Board to delist. In particular, STAR Board has stricter criteria for delisting compared to other boards. This may have an adverse impact on the Fund if the companies that it invests in are delisted.

Concentration risk applicable to STAR Board

STAR Board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in STAR Board may be concentrated in a small number of stocks and subject the Fund to higher concentration risk.

(xvii) Risks associated with investments in debt instruments with loss-absorption features – Debt instruments with loss-absorption features are subject to greater risks when compared to traditional debt instruments as such instruments are typically subject to the risk of being written down or converted to ordinary shares upon the occurrence of pre-defined trigger events (e.g. when the issuer is near or at the point of non-viability or when the issuer's capital ratio falls to a specified level), which are likely to be outside of the issuer's control. Such trigger events are complex and difficult to predict and may result in a significant or total reduction in the value of such instruments.

In the event of the activation of a trigger, there may be potential price contagion and volatility to the entire asset class. Debt instruments with loss-absorption features may also be exposed to liquidity, valuation and sector concentration risk.

The Fund may invest in contingent convertible debt securities, commonly known as CoCos, which are highly complex and are of high risk. Upon the occurrence of the trigger event, CoCos may be converted into shares of the issuer (potentially at a discounted price), or may be subject to the permanent write-down to zero. Coupon payments on CoCos are discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.

The Fund may invest in certain types of senior non-preferred debts. While these instruments are generally senior to subordinated debts, they may be subject to write-down upon the occurrence of a trigger event and will no longer fall under the creditor ranking hierarchy of the issuer. This may result in total loss of principal invested.

In view of the above, investment in the Fund should be regarded as long term in nature. The Fund is, therefore, only suitable for investors who can afford the risks involved.

CLASSES OF UNITS

Pursuant to the Trust Deed, the Manager may decide to issue separate classes (each a "Class") whose assets will be commonly invested but where a specific fee structure, currency or distribution policy may be applied. Each Class may have a different charging structure with the result that the net asset value attributable to each Class may differ.

Currently, the following Classes are available:

Class	Class Currency
JPMorgan China Income (acc) - USD	US dollars
JPMorgan China Income (mth) - AUD (hedged)	Australian dollars
JPMorgan China Income (mth) - HKD	HK dollars
JPMorgan China Income (mth) - RMB (hedged)	Renminbi
JPMorgan China Income (mth) - USD	US dollars
JPMorgan China Income - Class C (acc) - USD	US dollars
JPMorgan China Income - Class C (mth) - USD	US dollars

The Manager also has the power under the Trust Deed to cease to offer any Class (either temporarily or permanently). The Manager shall be entitled to cancel all units of a particular Class then in issue if at any time the net asset value of that Class falls below US$5 million (or its equivalent in another currency) or at any time with the sanction of an Extraordinary Resolution. In such event, the Manager shall issue to the affected unitholders units of an equivalent value of such other existing Class (if any) as the Manager may in its absolute discretion determine. Prior to such cancellation and issue of units, the Manager shall give the Trustee and all affected unitholders one month's notice (or such other notice period as required by the SFC) of its determination to cancel that Class and the new Class of units to be issued in substitution therefor (if any).

Currency Hedged Classes

For details of Currency Hedged Class of the Fund, please refer to the sections entitled "Currency Hedged Classes" and "AUD Hedged Class/CAD Hedged Class/EUR Hedged Class/GBP Hedged Class/HKD Hedged Class/NZD Hedged Class/RMB Hedged Class/SGD Hedged Class/USD Hedged Class" respectively in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

DISTRIBUTION POLICY

The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval (if applicable) and one month's prior notice to the relevant unitholders.

Classes with the suffix "(acc)"

Classes with the suffix "(acc)" are accumulation Classes and will not normally pay distributions. All income will be accumulated and reinvested within the corresponding Classes of the Fund.

Other Classes

It is the intention of the Manager to have at least 85 per cent. of the income attributable to the following Classes respectively in respect of each accounting period, after charging the expenses attributable to these Classes respectively, to be distributed to unitholders of these Classes respectively:

Class
JPMorgan China Income (mth) - AUD (hedged)
JPMorgan China Income (mth) - HKD
JPMorgan China Income (mth) - RMB (hedged)
JPMorgan China Income (mth) - USD
JPMorgan China Income - Class C (mth) - USD

It is the intention of the Manager to make distributions on a monthly basis or/and such other time as the Manager may, with the prior approval of the Trustee, notify to unitholders. The Manager expects to be able to pay distributions from its income generated by the Fund from its investment, but in the event that such income is insufficient to pay distributions as it declares, the Manager may in its discretion determine that such distributions may be paid from capital. Please also refer to the risk factor entitled "Payment of distributions out of capital risk" under the section entitled "RISKS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[#].

The transferee of a unit will be entitled to a distribution in respect of such unit if the Registrar has received a valid instrument of transfer (duly stamped if required) in respect of the unit by 3:30 p.m. (Hong Kong time) on the last cum distribution dealing date. The subscriber of a unit shall be entitled to a distribution in respect of such unit if the application for the unit is received by the Manager by 5:00 p.m. (Hong Kong time) on the last cum distribution dealing date.

Reinvestment of Distributions

It is the Manager's current policy to reinvest automatically any distributions in the subscription of further units of the corresponding Class of units of the Fund, unless unitholders notify the Manager otherwise in writing and the amount of the relevant distribution equals to or exceeds US$250 (or its equivalent in another currency). Such further units will be issued on the date of distribution, or if that is not a dealing day, on the next following dealing day. No initial charge will be made on the issue of such further units. In the event that a unitholder redeems or switches its entire holding of the relevant Class before the actual payment date of any distributions, the Manager will redeem the reinvested units on the actual payment date and pay the redemption proceeds to the unitholder in cash if the reinvested units do not meet the relevant minimum holding requirement.

Payment of Distributions by cheque

For unitholders who have notified the Manager in writing to receive payment of distributions instead of having the distributions reinvested automatically in the subscription of further units (except for unitholders of the RMB denominated Class), payment will be made by cheque in the offering currency of the relevant Class and sent, at the risk of the persons entitled thereto, to such persons at the address (or first address in the case of any joint holding) shown in the register of unitholders or as they may direct. Any distribution which is not claimed for six years will be forfeited and becomes part of the assets of the relevant Class (and in case such relevant Class has been terminated, the Fund).

[#] The website has not been reviewed by the SFC.

Payment of Distributions by telegraphic transfer

For unitholders of the RMB denominated Class who have notified the Manager in writing to receive payment of distributions instead of having the distributions reinvested automatically in the subscription of further units, payment will normally be made by telegraphic transfer, unless otherwise agreed by the Manager. Unitholders may be liable for any bank charges on payment by telegraphic transfer. Notwithstanding the aforesaid, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, the Manager may pay distributions in Fund's base currency.

BASES OF VALUATIONS

The method of establishing the net asset value of each Class is set out in the Trust Deed. The net asset value per unit of each Class is calculated by dividing the value of the assets of that Class, less liabilities of that Class, by the total number of units of that Class in issue as at 5:00 p.m. (Hong Kong time) on the immediately preceding Dealing Day or such other time agreed between the Manager and the Trustee. Any rounding adjustment arising in respect thereof will be retained by the relevant Class. In general, quoted investments are valued at their closing price and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Manager or a professional person engaged for this purpose. Interest and other income and liabilities are, where practicable, accrued from day to day. Such valuations will be expressed in US dollars. The Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

Market volatility may result in a discrepancy between the latest net asset value for each Class and the fair value of the assets of the relevant Class. Certain investors might exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on redemption, other unitholders may suffer a dilution in the value of their investment. As a safeguard against such exploitation, the Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the net asset value of the relevant Class or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders. It should be noted that the bases of valuations adopted by the relevant Class may not be the same as the accounting principles generally accepted in Hong Kong. Further details are set out in the section entitled "Reports and Accounts" below.

DEALING

For details of the dealing procedure of the Fund, please refer to the section entitled "DEALING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SUBSCRIPTIONS

The Fund is denominated in US dollars.

The section entitled "SUBSCRIPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

Initial Issue Price

The first issue of units of the existing Classes were made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan China Income (mth) - AUD (hedged)	AU$10.00
JPMorgan China Income (acc) - USD	US$10.00
JPMorgan China Income (mth) - HKD	HK$10.00
JPMorgan China Income (mth) - RMB (hedged)	RMB10.00
JPMorgan China Income (mth) - USD	US$10.00

In addition, the first issue of units of the following Classes will be made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan China Income - Class C (acc) - USD	US$10.00
JPMorgan China Income - Class C (mth) - USD	US$10.00

REDEMPTIONS

Redemption of Units

The section entitled "REDEMPTIONS – Redemption of Units" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

Procedure for Redemption and Suspension of Redemptions

Save for the procedure on payment of redemption monies, the procedure for redemption and the Manager's current policy on suspension of redemptions under the sections entitled "REDEMPTIONS – Procedure for Redemption" and "REDEMPTIONS – Suspension of Redemptions" respectively in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

The procedure on payment of redemption monies which applies to this Fund is set out below.

The amount due on the redemption of units will normally be paid within 5 Business Days, and in any event by 1 calendar month from the relevant dealing day. A "Business Day" is each day, other than a Saturday or a Sunday or a Hong Kong public holiday, on which banks in Hong Kong are open for normal banking business and on which stock exchanges or markets on which, in the opinion of the Manager, all or part of investments of the Fund are quoted, listed or dealt in are open for trading or such other day(s) as the Manager and the Trustee may otherwise agree.

As noted in paragraph (ii) under the section entitled "RISKS" above, there are rules and restrictions on repatriation of principal and profits under current QFII regulations. In cases where repatriation of funds from the PRC is restricted, the payment of the amount due on the redemption of units may be delayed and the same will be paid to investors as soon as practicable and if the time required for payment of redemption money exceeds 1 calendar month from the relevant dealing day, the extended time frame for payment of redemption money shall reflect the additional time needed in light of the specific circumstances (in any event redemption money will be paid within 7 Business Days after completion of the relevant repatriation).

Payment will normally be made by telegraphic transfer where the unitholder has provided payment details for this purpose. Unitholders may be liable for any bank charges on payment by telegraphic transfer. Where the unitholder has not provided bank payment details or where the redemption amount is less than US$1,000 (or its equivalent in another currency), redemption proceeds will normally be paid by cheque, posted at the risk of the unitholder. No third party payments will be made.

SWITCHING

For details on how to switch between Classes of units within the same Fund or between the Fund and other funds managed by the Manager or in respect of which the Manager acts as Hong Kong representative, please refer to the section entitled "SWITCHING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

FEES, CHARGES AND LIABILITIES

Initial and Redemption Charges

The Manager may make an initial charge (normally up to 5 per cent. of the net asset value per unit of the relevant Class) from the gross subscription amount on the issue of units where applicable and receive a redemption charge (normally up to 0.5 per cent. of the net asset value per unit of the relevant Class) from the redemption monies on the cancellation or redemption of units where applicable. The Manager does not currently levy any redemption charge.

The Manager reimburses approved intermediaries, which include banks, brokers, recognised securities dealers and other investment advisers (collectively, "Distributors"), a proportion of the commissions, charges, fees or other benefits received by it on the value of the relevant business introduced to the Fund.

Management Fee

The Manager is entitled to receive a management fee of up to 2.5 per cent. per annum of the net asset value of each Class. However, the Manager currently receives a fee of 1.75 per cent. per annum of the net asset value of each Class other than Class C. For Class C, the Manager currently receives a fee of 0.875 per cent. per annum of the net asset value of each Class. The Manager may only increase the level of its fee (which may not exceed 2.5 per cent. per annum of the net asset value of each Class) by giving

to the Trustee and unitholders not less than one month's notice of the increased level of management fee. The management fee shall accrue on each dealing day based on the net asset value of each Class on each dealing day and shall be payable monthly in arrears. If the assets of the Fund include interests in any unit trust or other collective investment scheme managed by the Manager or its Connected Persons, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the relevant Class' interest in such unit trust or scheme.

The fees of the Investment Manager will be borne by the Manager. The fees of the Sub-Manager and the Investment Adviser will be borne by the Investment Manager.

Trustee Fee

The Trustee is entitled to receive a trustee fee of 0.2 per cent. per annum of the net asset value of the Fund which will be calculated before deduction of any management fee and trustee fee accruing to or on the relevant Dealing Day. However, the Trustee currently receives a trustee fee at the following rates of the Fund's net asset value which is calculated before deduction of any management fee and trustee fee accruing to or on the relevant Dealing Day:-

	Rate (per annum)
On the first US$40,000,000	0.06%
On the next US$30,000,000	0.04%
On the balance over US$70,000,000	0.025%

The Trustee may only increase the level of its fee (which may not exceed 0.2 per cent. per annum) with the agreement of the Manager and by giving to the unitholders not less than one month's notice of the increased level of trustee fee. The trustee fee shall accrue daily based on the net asset value of the Fund on each Dealing Day and shall be payable monthly in arrears.

For details of the current fees and charges in respect of dealings made through any other channels from time to time specified by JPMorgan Funds (Asia) Limited, please consult JPMorgan Funds (Asia) Limited.

Fiscal Charges

For details of the fiscal charges policy of the Fund, please refer to the sub-section entitled "Fiscal Charge" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Other Liabilities

Save for the cost of establishing the Fund, details under the sub-section entitled "Other Liabilities" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

There are no unamortised establishment costs outstanding relating to this Fund.

CONFLICTS OF INTEREST

For details of the Manager's current policy on conflicts of interest, please refer to the section entitled "CONFLICTS OF INTEREST" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

TAXATION

The following sub-sections under Section D – TAX NOTES of the Consolidated Explanatory Memoranda apply to the Fund:

(i) "(i) General";

(ii) the sub-paragraph entitled "Hong Kong" under the sub-section entitled "(ii) Taxation of Funds in their Country/Region of Formation";

(iii) "(iii) Taxation of Unitholders"; and

(iv) the sub-paragraph entitled "The People's Republic of China ("PRC")" under the sub-section entitled "(iv) Investment Markets".

REPORTS AND ACCOUNTS

For details of the reports and accounts of the Fund, please refer to the section entitled "REPORTS AND ACCOUNTS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

GENERAL

Save for the provisions on "Documents Available for Inspection" and "Duration of the Funds", the general provisions under the section entitled "GENERAL" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

The provisions on "Documents Available for Inspection" and "Duration of the Fund" which apply to this Fund are set out below.

Documents Available for Inspection

Copies of the following documents are available for inspection free of charge during normal working hours at the offices of the Manager:

(i) Trust Deed and Base Terms.

(ii) Investment Management Agreement.

(iii) Investment Advisory Agreement.

(iv) Operating Agreement.

Duration of the Fund

Unless previously terminated, the Fund will terminate automatically on the date immediately preceding the eightieth anniversary of the date of the Trust Deed. The Manager may, in certain circumstances, by notice in writing to the Trustee terminate the Fund at any time. Such circumstances include (i) the QFII status of the Investment Manager is revoked by the competent authority or regulator of the PRC; (ii) the passing of any law which renders it illegal to continue the Fund or, in the opinion of the Manager, impracticable or inadvisable to continue the Fund; (iii) where the aggregate net asset value of the Fund falls below US$20,000,000 or its equivalent in the currency in which the Fund is denominated; or (iv) where the Manager (with the approval of the Trustee) considers termination of the Fund is in the best interest of unitholders. The Fund may also be terminated by Extraordinary Resolution of the unitholders at any time.

The Manager may in its absolute discretion, but subject to any required approval of the SFC, if it considers it to be in the best interest of unitholders, give not less than 3 months' written notice to unitholders and the Trustee (or such shorter period of notice as the SFC may agree) of termination of the Fund and, (a) in consideration for subscription in cash following realisation of the assets of the Fund or the transfer of substantially all the assets of the Fund, apply for new shares, units or other interests in a collective investment scheme (whether a unit trust, an open-ended investment company or otherwise) whose investment objectives and restrictions are substantially the same as those of the Fund and in its application determine whether such new shares, units or other interests are to be issued or registered in the name of unitholders directly or in a company nominated by the Manager as nominee for unitholders; or (b) distribute on a pro rata basis all or any of the investments held by the Fund to unitholders or into the name of a company nominated by the Manager as nominee for unitholders.

Any unclaimed proceeds or other cash held by the Trustee upon termination of a Fund may at the expiration of twelve months from the date upon which the same were payable be paid into a court of competent jurisdiction subject to the right of the Trustee to deduct therefrom any expenses it may incur in making such payment.

MANAGEMENT AND ADMINISTRATION DIRECTORY

Manager and Service Provider

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Trustee

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Directors of JPMorgan Funds (Asia) Limited

Chan, Tsun Kay, Edwin
Ebrahim, Ayaz
Leung, Kit Yee, Elka
Roberts, Ioan William
Watkins, Daniel James

Registrar

HSBC Trustee (Cayman) Limited
PO Box 484
HSBC House
68 West Bay Road
Grand Cayman KY1-1106
Cayman Islands

Investment Manager

JPMorgan Asset Management (Asia Pacific) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Auditors

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
1 Des Voeux Road Central
Hong Kong

Sub-Manager

JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London
EC4Y 0JP
United Kingdom

Investment Adviser

China International Fund Management Co. Ltd.
20/F, Aurora Plaza
99 Fu Cheng Road, Pudong
Shanghai 200120
People's Republic of China

Additional information is available from: -

JPMorgan Funds (Asia) Limited
GPO Box 11448
Hong Kong

Telephone: (852) 2265 1188
Facsimile: (852) 2868 5013

JPMorgan China Pioneer A-Share Fund

INTRODUCTION

JPMorgan China Pioneer A-Share Fund ("Fund") is a unit trust constituted by a Trust Deed dated 14 June 2006, as amended from time to time ("Trust Deed") governed by the laws of Hong Kong. The Fund has been authorised as a collective investment scheme in the form of a unit trust by the Securities and Futures Commission ("SFC") under Section 104 of the *Securities and Futures Ordinance* (Cap. 571 of the Laws of Hong Kong) ("SFO") and the Code on Unit Trusts and Mutual Funds ("SFC Code"). SFC authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Fund's portfolio is subject to market fluctuations and exchange rate fluctuations and to the risks inherent in all investments. Therefore, the value of the Fund and the level of distributions (if any) may go down as well as up.

FUND PARTIES

The Fund is managed by JPMorgan Funds (Asia) Limited ("Manager"), a company incorporated with limited liability under the laws of Hong Kong.

Day-to-day investment management of the Fund has been delegated to JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited) ("Investment Manager"), a company incorporated with limited liability in Hong Kong. The Investment Manager has appointed China International Fund Management Co., Ltd. ("Investment Adviser"), a company incorporated in the People's Republic of China ("PRC"), to provide investment advice on A-Shares.

HSBC Institutional Trust Services (Asia) Limited acting as trustee of the Fund ("Trustee"), is incorporated in Hong Kong and is registered as a trust company under the Trustee Ordinance in Hong Kong. The Trustee is an indirect wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. Under the Trust Deed, the Trustee is responsible for the safe-keeping of the Fund's investments. The HSBC Group has adopted a policy of compliance with the sanctions issued by The Office of Foreign Assets Control of the US Department of the Treasury.

Please refer to the section entitled "FUND PARTIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds in relation to the liabilities of each of the parties described herein.

HSBC Trustee (Cayman) Limited is the registrar of the Fund ("Registrar") and is incorporated with limited liability in the Cayman Islands. The Registrar is responsible for keeping the register of unitholders.

INVESTMENT OBJECTIVES, POLICY AND RESTRICTIONS

Investment Objective and Policy

The investment objective and policy of the Fund is to achieve long-term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in PRC equity securities, including but not limited to China A-Shares listed on the PRC stock exchanges (e.g. Shanghai Stock Exchange and Shenzhen Stock Exchange).

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund will invest in PRC securities via the Qualified Foreign Institutional Investor ("QFII") quota of the Investment Manager. For the investment in China A-Shares, the Fund may also invest and have direct access to certain eligible China A-Shares via China Connect (as further described in the sub-section entitled "China Connect" below) and/or other similar programs as approved by the relevant regulators from time to time. The Fund may invest 30% or more of its total net asset value in stocks listed on the Small and Medium Enterprise Board and/or the ChiNext Board of the Shenzhen Stock Exchange and/or the Science and Technology Innovation Board of the Shanghai Stock Exchange.

The Fund may invest in derivatives such as forward contracts, options, warrants and futures for investment and hedging purposes.

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.

The Fund will not invest in any type of the following instruments: (i) urban investment bonds[1] (城投債); (ii) asset backed securities (including asset backed commercial papers); and (iii) below investment grade bonds (i.e. (a) bonds rated below Baa3 by Moody's or BBB- by Standard & Poor's or such other terms used by international accredited rating agencies or (b) unrated bonds but their issuers are rated below Baa3 by Moody's or BBB- by Standard & Poor's or such other terms used by international accredited rating agencies) or unrated bonds (i.e. both the bonds and issuers are unrated by Moody's, Standard & Poor's or other international accredited rating agencies).

The investment objective, policy and investment restrictions and guidelines of the Fund may, subject to the approval of the Trustee and/or the SFC (as applicable), vary from time to time when the Manager considers appropriate in the circumstances.

Investment Restrictions and Guidelines

The Fund may invest in anything into which a person may invest, subject to the investment restrictions as stipulated in the section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Notwithstanding the above, the following investment restrictions and guidelines are also applicable to the Fund:

(i) The aggregate value of the Fund's holding of securities issued by any single issuer which exceeds 5 per cent. of its total net asset value may not exceed 40 per cent. of the total net asset value of the Fund.

(ii) The value of the Fund's holding of securities neither listed nor quoted on a market may not exceed 10 per cent. of its total net asset value.

(iii) The value of the Fund's holding of A-Shares (including instruments which gain an exposure in A-Shares) shall not be less than 70 per cent. of its total net asset value.

(iv) The Fund may not sell short any securities.

(v) The Fund may invest up to 100 per cent. of its total net asset value in China A-Shares via China Connect.

Borrowing and Leverage

For information about the borrowing and leverage of the Fund, please refer to the section entitled "Borrowing and Leverage" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Securities Financing Transactions Policy

For details of the securities financing transactions policy of the Fund, please refer to the section entitled "Securities Financing Transactions Policies" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

China Connect

The section entitled "Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (collectively the "China Connect")" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

RISKS

The performance of the Fund will be affected by a number of risk factors, including the risk factors as set out in the section entitled "RISKS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

In addition, the following risk factors are applicable to the Fund:

(i) China market risk – Investing in the securities markets in the PRC is subject to the risks of investing in emerging markets generally and the risks specific to the PRC market.

Many of the PRC economic reforms are unprecedented or experimental and are subject to adjustment and modification, and such adjustment and modification may not always have a positive effect on foreign investment in joint stock companies in the PRC or in listed securities such as "A", "B" and "H" shares.

The choice of "A", "B" and "H" share issues currently available to the Manager may be limited as compared with the choice available in other markets. There may also be a lower level of liquidity in the PRC "A" and "B" share markets, which are

[1] Urban investment bonds are debt instruments issued by local government financing vehicles ("LGFVs") in the China listed bond and interbank bond-market. These LGFVs are separate legal entities established by local governments and/or their affiliates to raise financing for public welfare investment or infrastructure projects.

relatively smaller in terms of both combined total market value and the number of "A" and "B" shares which are available for investment as compared with other markets. This could potentially lead to severe price volatility. There may also be potential settlement difficulties in the PRC market.

The national regulatory and legal framework for capital markets and joint stock companies in the PRC are still developing when compared with those of developed countries. Most of the joint stock companies with listed A-Shares have undergone split-share structure reform to convert state owned shares or legal person shares into transferable shares with the intention to increase liquidity of A-Shares. However, the effects of such reform on the A-Share market as a whole and other PRC securities remain to be seen. In addition, trading band limits may be imposed by the PRC stock exchanges on China A-Shares, where trading in a China A-Share security on the relevant PRC stock exchange may be suspended if the trading price of such security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the Fund to liquidate its positions (if any) in such security. Also, it may not be possible for the Fund to liquidate positions at a favourable price even when the suspension is lifted. Such trading band limit may therefore adversely affect the Fund's investment in China A-Shares.

PRC companies are required to follow PRC accounting standards and practice which, to a certain extent, follow international accounting standards. However, there may be significant differences between financial statements prepared by accountants following PRC accounting standards and practice and those prepared in accordance with international accounting standards.

Both the Shanghai and Shenzhen securities markets are in the process of development and change. This may lead to trading volatility, difficulty in the settlement and recording of transactions and difficulty in interpreting and applying the relevant regulations.

Investments in the PRC will be sensitive to any significant change in political, social or economic policy in the PRC, which includes possible government intervention. Such sensitivity may, for the reasons specified above, adversely affect the capital growth and thus the performance of these investments. The PRC government or the regulators may also implement policies that may affect the financial markets.

The PRC government's control of currency conversion and future movements in exchange rates may adversely affect the operations and financial results of the companies that issue the relevant PRC securities invested in by the Fund.

In light of the above mentioned factors, the price of PRC securities may fall significantly in certain circumstances and may have an adverse effect on the Fund's performance.

(ii) QFII risk – Under the prevailing regulations in the PRC, foreign investors can invest in the securities of the Chinese domestic securities market pursuant to the applicable QFII rules and regulations ("QFII Eligible Securities") through institutions that have obtained QFII status in the PRC. The current QFII regulations impose strict restrictions (such as investment guidelines) on QFII Eligible Securities investment.

The Fund itself is not a QFII, but may invest directly in QFII Eligible Securities via the QFII status of the Investment Manager and/or other QFII holders. The QFII status could be revoked, in particular because of material violations of rules and regulations by the QFII. If the Investment Manager loses its QFII status, the Fund may not be able to invest directly in QFII Eligible Securities and may be required to dispose of its holdings which would likely have a material adverse effect on the Fund.

The Investment Manager has assumed dual roles as the investment manager of the Fund and the QFII holder for the Fund. The Investment Manager will ensure all transactions and dealings will be dealt with having regard to the constitutive documents of the Fund as well as the relevant laws and regulations applicable to the Investment Manager as QFII. If any conflicts of interest arise, the Manager will in conjunction with the Trustee seek to ensure that the Fund is managed in the best interests of unitholders and the unitholders are treated fairly.

The Investment Manager's QFII investment quota is granted to it as a whole and not simply to investments made by the Fund. There can be no assurance that the Investment Manager will be able to allocate a sufficient portion of its QFII investment quota to meet all applications for subscription to the Fund, or that redemption requests can be processed in a timely manner due to adverse changes in relevant laws or regulations, including changes in QFII repatriation restrictions. Such restrictions may result in suspension of dealings of the Fund.

In extreme circumstances, the Fund may incur significant loss due to limited investment capabilities, or may not be able to fully implement or pursue its investment objective or strategy, due to QFII investment restrictions, illiquidity of the Chinese domestic securities market, delay or disruption in execution of trades or in settlement of trades, and/or change in the applicable laws, rules and regulations (including restrictions on investments and repatriation of principal and profits) in the PRC and such change may have potential retrospective effect.

QFII Eligible Securities acquired by the Fund through the QFII facility will be maintained by the QFII's local custodian in the PRC ("PRC Custodian"), in electronic form via the securities account(s) in such name as may be permitted or required in accordance with PRC law with the China Securities Depository and Clearing Corporation Limited and/or other relevant depositories. The PRC Custodian is China Construction Bank Corporation which is one of the largest banks in the PRC. Pursuant to an operating agreement entered into between the Investment Manager as the QFII, the PRC Custodian and the Trustee relating to the custody, operation and management of the Fund's assets in the PRC, the PRC Custodian is responsible for providing custody services to the Fund's cash and securities assets in the PRC. The QFII will also select brokers ("PRC Brokers") to execute transactions for the Fund in the PRC markets. The Investment Manager as QFII has established futures account with PRC Broker. Futures margin will be placed in an account of such PRC Broker with a licensed futures margin depository bank in the PRC in accordance with applicable laws and regulations. The Fund may incur losses due to the acts or omissions or insolvency of the PRC Brokers or the PRC Custodian in the execution or settlement of any transaction or in the transfer of any funds or securities. Subject to the applicable laws and regulations in the PRC, the Manager will make arrangements to ensure that the PRC Brokers and the PRC Custodian have appropriate procedure to properly segregate the Fund's assets from the assets of the relevant PRC Brokers and the PRC Custodian.

According to the CSRC's Provisions on Issues relating to Implementation of the Administration Measures for the Domestic Securities Investment by Qualified Foreign Institutional Investors ("CSRC Provisions"), the securities account(s) for the Fund in the PRC is(are) currently required to be maintained in the joint names of the Investment Manager as the QFII and the Fund. Although the CSRC Provisions indicates that the assets in such account(s) would belong to the Fund, such Provisions serves as a regulation promulgated by the CSRC and may be amended, superseded or invalidated by the CSRC, and does not have equal force of the law enacted by legislative bodies in the PRC.

There are rules and restrictions under current QFII regulations including rules on remittance of principal, investment restrictions, and repatriation of principal and profits. Any restrictions on repatriation of principal and profits may impact on the Fund's ability to meet redemption requests from the unitholders.

Investments in QFII Eligible Securities will be made through the QFII in Renminbi. The Fund will be exposed to any fluctuation in the exchange rate between US dollars and Renminbi in respect of such investments.

Investors should also note that direct investments in QFII Eligible Securities through QFIIs are subject to compliance with the investment restrictions currently imposed under QFII regulations in the PRC, as amended from time to time, which are applied on each foreign investor investing through QFIIs and which will affect the ability of the Fund to invest in QFII Eligible Securities.

(iii) Risk associated with foreign shareholding restrictions on China A-Shares – Investments on China A-Shares through QFII investment quotas and China Connect are subject to the following shareholding restrictions:

- Single foreign investors' shareholding by any Hong Kong or overseas investor (such as the Fund) in a China A-Share must not exceed 10% of the total issued shares; and
- Aggregate foreign investors' shareholding by all Hong Kong and overseas investors (such as the Fund) in a China A-Share must not exceed 30% of the total issued shares.

When Hong Kong and overseas investors carry out strategic investments in listed companies in accordance with the "Measures for the Administration of Strategic Investment of Foreign Investors in Listed Companies" (《外國投資者對上市公司戰略投資管理辦法》), the shareholding of the strategic investments is not capped by the abovementioned percentages.

Should the shareholding of a single investor in a China A-Share listed company exceed the above restriction, the investor would be required to unwind his position on the excessive shareholding according to a last-in-first-out basis within a specific period. The SSE/SZSE (as the case may be) and the SEHK will issue warnings or restrict the buy orders for the related China A-Shares if the percentage of total shareholding is approaching the upper limit.

As there are limits on the total shares held by all underlying foreign investors in one listed company in the PRC, the capacity of the Fund to make investments in A-Shares will be affected by the activities of all underlying foreign investors investing through QFIIs or China Connect or any other permissible ways to obtain A-Shares investment exposures, not just the Investment Manager as QFII itself or other investors who make investment through the QFII status of the Investment Manager or other investors who make investment through China Connect.

(iv) Risk associated with short swing profit rule – According to the PRC Securities Law (中華人民共和國證券法), a shareholder of 5% or more of the total issued shares of a PRC listed company ("major shareholder") has to return any profits obtained from the purchase and sale of shares of such PRC listed company if both transactions occur within a six-month period. In the event that the Fund or the Investment Manager (deemed as person acting in concert) becomes a major

shareholder of a PRC listed company by investing in China A-Shares via QFII investment quotas or China Connect, the profits that the Fund may derive from such investments may be limited, and thus the performance of the Fund may be adversely affected.

(v) Application of QFII rules – The QFII rules are novel in nature and their application may depend on the interpretation given by the relevant Chinese authorities. Any changes to the relevant rules may have an adverse impact on investors' investment in the Fund.

(vi) PRC exchange traded stock index futures risk – The PRC futures exchanges are in the process of development. This may lead to greater trading volatility, difficulty in settlement and uncertainty in interpreting and applying the relevant regulations. The China Financial Futures Exchange ("CFFEX") has granted a hedging quota to the Investment Manager (as the QFII) specifically for the use by the Fund to invest directly in PRC exchange traded stock index futures contracts for hedging purpose. The hedging quota is subject to an intra day turnover limit imposed by the CSRC. There is no guarantee that the hedging quota will be used, or if used, will achieve the desired result. In addition, the hedging quota has a fixed term. There is no guarantee that the Investment Manager (as QFII) will renew its application for the Fund after expiry of the term or the CFFEX will approve any application for renewal or whether the same amount of hedging quota will be granted. Any changes in the relevant regulations may also affect the hedging quota or any renewal application. Please also refer to the "Derivative risk" under the section entitled "RISKS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds for general risk in relation to derivatives investments.

(vii) RMB currency risk – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the PRC. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including US dollars and HK dollars, are susceptible to movements based on external factors. RMB is currently not a freely convertible currency as it is subject to foreign exchange control policies of and repatriation restrictions imposed by the Chinese government. If such policies change in future, the Fund's or the investors' position may be adversely affected.

There is no assurance that RMB will not be subject to devaluation, in which case the value of the Fund's investments in RMB will be adversely affected. Some of the investments acquired by the Fund will be denominated in RMB whereas the Fund is denominated in USD. This exposes investors to movements of the exchange rate between the currency of denomination of the Fund and the currency in which the assets of the Fund are held. Investors may suffer losses depending on the exchange rate movements of RMB relative to USD.

(viii) Risks associated with China Connect – The Fund may invest through the China Connect. In addition to the risks associated with the China market, RMB currency risk, risk associated with foreign shareholding restrictions on China A-Shares and risk associated with short swing profit rule it is also subject to the following additional risks:

<u>Quota limitations</u>

- China Connect is subject to daily quota limitations. In particular, once the remaining balance of the relevant Northbound Daily Quota drops to zero or the relevant Northbound Daily Quota is exceeded during the opening call session, new buy orders will be rejected (though investors will be allowed to sell their cross boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the Fund's ability to invest in China A-Shares through China Connect on a timely basis, and the Fund may not be able to effectively pursue its investment strategies.

<u>Suspension risk</u>

- It is contemplated that each of SEHK, SSE and SZSE would reserve the right to suspend Northbound and/or Southbound trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the Northbound trading through China Connect is effected, the Fund's ability to access the PRC market will be adversely affected. The Fund may therefore not be able to sell the A shares acquired via China Connect to meet any redemption requests in timely manner. In such event, the Fund's ability to achieve its investment objective could be negatively affected.

<u>Operational risk</u>

- The China Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this program subject to meeting certain information technology

capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

- It should be appreciated that the securities regimes and legal systems of the two markets differ significantly and in order for the trial program to operate, market participants may need to address issues arising from the differences on an on-going basis.

- Further, the "connectivity" in the China Connect program requires routing of orders across the border. This requires the development of new information technology systems on the part of the SEHK and exchange participants (i.e. a new order routing system ("China Stock Connect System") set up by SEHK to which exchange participants need to connect). There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both Hong Kong and Shanghai or Shenzhen (as the case maybe) markets. In the event that the relevant systems failed to function properly, trading in both Hong Kong and Shanghai or Shenzhen (as the case maybe) markets through the program could be disrupted. The Fund's ability to access the China A-Share market (and hence to pursue its investment strategy) will be adversely affected.

Restrictions on selling imposed by front-end monitoring

- PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise SSE or SZSE (as the case may be) will reject the sell order concerned. SEHK will carry out pre-trade checking on China A-Shares sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

- If the Fund desires to sell certain China A-Shares it holds, it must transfer those China A-Shares to the respective accounts of its brokers before the market opens on the day of selling ("trading day") unless its brokers can otherwise confirm that the Fund has sufficient shares in its account. If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, the Fund may not be able to dispose of holdings of China A-Shares in a timely manner.

  Alternatively, if the Fund maintains its China A-Shares with a custodian which is a custodian participant or general clearing participant participating in CCASS, the Fund may request such custodian to open a special segregated account ("SPSA") in CCASS to maintain its holdings in China A-Shares under the enhanced pre-trade checking model. Each SPSA will be assigned a unique "Investor ID" by CCASS for the purpose of facilitating the China Connect system to verify the holdings of an investor such as the Fund. Provided that there is sufficient holding in the SPSA when a broker inputs the Fund's sell order, the Fund will only need to transfer China A-Shares from its SPSA to its broker's account after execution and not before placing the sell order and the Fund will not be subject to the risk of being unable to dispose of its holdings of China A-Shares in a timely manner due to failure to transfer China A-Shares to its brokers in a timely manner.

Recalling of eligible stocks

- When a stock is recalled from the scope of eligible stocks for trading via China Connect, the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the Fund, for example, when the Manager wishes to purchase a stock which is recalled from the scope of eligible stocks.

Clearing and settlement risk

- The HKSCC and ChinaClear has established the clearing links and each will become a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

- Should the remote event of ChinaClear default occur and ChinaClear be declared as a defaulter, HKSCC's liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the Fund may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

Participation in corporate actions and shareholders' meetings

- HKSCC will keep CCASS participants informed of corporate actions of SSE and SZSE securities. Hong Kong and overseas investors (including the Fund) will need to comply with the arrangement and deadline specified by their respective

brokers or custodians (i.e. CCASS participants). The time for them to take actions for some types of corporate actions of China A-Shares may be as short as one business day only. Therefore, the Fund may not be able to participate in some corporate actions in a timely manner.

- Hong Kong and overseas investors (including the Fund) are holding China A-Shares traded via the China Connect program through their brokers or custodians. According to existing mainland practice, multiple proxies are not available. Therefore, the Fund may not be able to appoint proxies to attend or participate in shareholders' meetings in respect of the China A-Shares.

Risk of default by brokers

- Investment through China Connect is conducted through broker(s), and is subject to the risks of default by such broker(s) in their obligations.

Regulatory risk

- China Connect is subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under China Connect.

- It should be noted that the rules and regulations are untested and there is no certainty as to how they will be applied. Moreover, the current rules and regulations are subject to change which may have potential retrospective effect. There can be no assurance that China Connect will not be abolished. The Fund, which may invest in the PRC markets through China Connect, may be adversely affected as a result of such changes.

(ix) People's Republic of China ("PRC") tax risk consideration – There are risks and uncertainties associated with the current PRC tax laws, regulations and practice on the Fund's investments in the PRC. Any increased tax liabilities on the Fund may adversely affect the Fund's value. The Manager and Investment Manager reserve the right to provide for tax on gains of the Fund that invests in PRC securities thus impacting the valuation of the Fund. Based on professional and independent tax advice, except for gains from China A-Shares trading through China Connect or Qualified Foreign Institutional Investors or Renminbi Qualified Foreign Institutional Investors and interest derived by foreign institutional investors from bonds traded on PRC bond market which are specifically exempt under temporary exemptions from the prevailing PRC tax regulations, a tax provision of 10% is fully provided for all PRC sourced income (including gains from PRC securities, dividends and interest) until sufficient clarity is given by the PRC authorities to exempt specific types of PRC sourced income (e.g. gains from PRC bonds).

With the uncertainty of whether and how certain gains on PRC securities are to be taxed, the possibility of the laws, regulations and practice in the PRC changing, and the possibility of taxes being applied retrospectively, any provision for taxation made by the Manager and/or the Investment Manager may be excessive or inadequate to meet final PRC tax liabilities on gains derived from the disposal of PRC securities. In case of any shortfall between the provisions and actual tax liabilities, which will be debited from the Funds' assets, the Funds' net asset value will be adversely affected. Depending on the timing of investors' subscriptions and/or redemptions, they may be disadvantaged as a result of any shortfall of tax provision and/or not having the right to claim any part of the overprovision (as the case may be).

For more information on the PRC taxation of PRC securities and the provisioning for such taxation, please refer to the sub-paragraph entitled "The People's Republic of China ("PRC")" under the sub-section entitled "(iv) Investment Markets" under Section D – TAX NOTES of the Consolidated Explanatory Memoranda.

(x) Connected party risk – The Fund will be investing in A-Shares via the QFII status of the Investment Manager. Although the Manager, the Investment Manager and the Investment Adviser are all part of the JPMorgan group of companies, each of such entities will operate independently in assuming their respective duties and obligations in relation to the Fund and are subject to the supervision of their relevant industry regulators. All transactions and dealings between such entities in relation to the Fund will be dealt with on arm's length basis having regard to the constitutive documents of the Fund as well as the relevant regulatory codes applicable to such entities. In the unlikely event that conflicts of interest arise, the Manager in conjunction with the Trustee will seek to ensure that the Fund is managed in the best interests of unitholders and the unitholders are treated fairly.

(xi) PRC Brokerage risk – The execution and settlement of transactions or the transfer of any funds or securities may be conducted by PRC Brokers appointed by the Investment Manager (as QFII holder).

There is a risk that the Fund may suffer significant losses from the default, disqualification or bankruptcy of the PRC Brokers, including losses of any futures margin held by PRC futures brokers in the event of their bankruptcy. In these events, the Fund maybe adversely affected in the execution or settlement of any transaction or in the transfer of any funds or securities.

In selection of PRC Brokers, the Investment Manager (as QFII holder) will have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards. The Investment Manager will exercise reasonable care and diligence in the selection, appointment and ongoing monitoring of the PRC Brokers and ensure it is satisfied that the PRC Brokers remain suitably qualified and competent to provide the relevant service. If the Investment Manager considers appropriate, it is possible that a single PRC Broker will be appointed and the Fund may not necessarily pay the lowest commission available in the market.

(xii) Risks associated with the investments in stocks listed on the Small and Medium Enterprise Board ("SME Board") and/or the ChiNext Board of the SZSE and/or the Science and Technology Innovation Board ("STAR Board") of the SSE – The Fund may invest in stocks listed on the SME Board and/or the ChiNext Board of the SZSE via the Shenzhen-Hong Kong Stock Connect and/or the STAR Board via the Shanghai-Hong Kong Stock Connect. Investments in the SME Board and/or ChiNext Board and/or STAR Board may result in significant losses for the Fund and its investors. The following additional risks apply:

Higher fluctuation on stock prices and liquidity risk

Listed companies on the SME Board, ChiNext Board and/or STAR Board are usually of emerging nature with smaller operating scale. In particular, listed companies on STAR Board are subject to wider price fluctuation limits, and due to higher entry thresholds for investors, stocks listed on STAR Board may have limited liquidity, compared to those listed on other boards. Hence, they are subject to higher fluctuation in stock prices and liquidity and have higher risks and turnover ratios than companies listed on the main board.

Over-valuation risk

Stocks listed on the SME Board, ChiNext Board and/or STAR Board may be given a higher valuation and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

Differences in regulations applicable to ChiNext Board and STAR Board

The rules and regulations regarding companies listed on ChiNext Board and STAR Board are less stringent in terms of profitability and share capital than those on the main board and SME Board.

Delisting risk

It may be more common and faster for companies listed on the SME Board, ChiNext Board and/or STAR Board to delist. In particular, STAR Board has stricter criteria for delisting compared to other boards. This may have an adverse impact on the Fund if the companies that it invests in are delisted.

Concentration risk applicable to STAR Board: STAR Board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in STAR Board may be concentrated in a small number of stocks and subject the Fund to higher concentration risk.

In view of the above, investment in the Fund should be regarded as long term in nature. The Fund is, therefore, only suitable for investors who can afford the risks involved.

DISTRIBUTION POLICY

For the Manager's current distribution policy, please refer to the section entitled "DISTRIBUTION POLICY" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

BASES OF VALUATIONS

The method of establishing the net asset value of the Fund is set out in the Trust Deed. The net asset value per unit is calculated by dividing the value of the assets of the Fund, less its liabilities, by the total number of units in issue as at 5:00 p.m. (Hong Kong time) on the immediately preceding dealing day or such other time agreed between the Manager and the Trustee. Any rounding adjustment arising in respect thereof will be retained by the Fund. In general, quoted investments are valued at their closing price and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Manager or a professional person engaged for this purpose. Interest and other income and liabilities are, where practicable, accrued from day to day. Such valuations will be expressed in US dollars. The Manager may, with due care, skill and diligence, in good faith, and in

consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

Market volatility may result in a discrepancy between the latest available net asset value for the Fund and the fair value of the assets of the Fund. Certain investors might exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on redemption, other unitholders may suffer a dilution in the value of their investment. As a safeguard against such exploitation, the Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the net asset value of the Fund or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders. It should be noted that the bases of valuations adopted by the Fund may not be the same as the accounting principles generally accepted in Hong Kong. Further details are set out in the section entitled "Reports and Accounts" below.

DEALING

For details of the dealing procedure of the Fund, please refer to the section entitled "DEALING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SUBSCRIPTIONS

The Fund is denominated in US dollars.

The section entitled "SUBSCRIPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

Initial Issue Price

The first issue of units was made at a price of US$10.00 per unit, excluding the initial charge.

REDEMPTIONS

Redemption of Units

The section entitled "REDEMPTIONS – Redemption of Units" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

Procedure for Redemption and Suspension of Redemptions

Save for the procedure on payment of redemption monies, the procedure for redemption and the Manager's current policy on suspension of redemptions under the sections entitled "REDEMPTIONS – Procedure for Redemption" and "REDEMPTIONS – Suspension of Redemptions" respectively in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

The procedure on payment of redemption monies which applies to this Fund is set out below.

The amount due on the redemption of units will normally be paid within 5 Business Days, and in any event by 1 calendar month from the relevant dealing day. A "Business Day" is each day, other than a Saturday or a Sunday or a Hong Kong public holiday, on which banks in Hong Kong are open for normal banking business and on which stock exchanges or markets on which, in the opinion of the Manager, all or part of investments of the Fund are quoted, listed or dealt in are open for trading or such other day(s) as the Manager and the Trustee may otherwise agree.

As noted in paragraph (ii) under the section entitled "RISKS" above, there are rules and restrictions on repatriation of principal and profits under current QFII regulations. In cases where repatriation of funds from the PRC is restricted, the payment of the amount due on the redemption of units may be delayed and the same will be paid to investors as soon as practicable and if the time required for payment of redemption money exceeds 1 calendar month from the relevant dealing day, the extended time frame for payment of redemption money shall reflect the additional time needed in light of the specific circumstances (in any event redemption money will be paid within 7 Business Days after completion of the relevant repatriation).

Payment will normally be made by telegraphic transfer where the unitholder has provided payment details for this purpose. Unitholders may be liable for any bank charges on payment by telegraphic transfer. Where the unitholder has not provided bank payment details or where the redemption amount is less than US$1,000 (or its equivalent in another currency), redemption proceeds will normally be paid by cheque, posted at the risk of the unitholder. No third party payments will be made.

SWITCHING

For details on how to switch between the Fund and other funds managed by the Manager or in respect of which the Manager acts as Hong Kong representative, please refer to the section entitled "SWITCHING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

FEES, CHARGES AND LIABILITIES

Initial, Redemption and Administrative Charges

The Manager may make an initial charge (normally up to 5 per cent. of the net asset value per unit) from the gross subscription amount on the issue of units where applicable and receive a redemption charge (normally up to 0.5 per cent. of the net asset value per unit) from the redemption monies on the cancellation or redemption of units where applicable. However, the Manager does not currently levy any redemption charge.

The Manager reimburses approved intermediaries, which include banks, brokers, recognised securities dealers and other investment advisers (collectively, "Distributors"), a proportion of the commissions, charges, fees or other benefits received by it on the value of the relevant business introduced to the Fund.

Management Fee

The Manager is entitled to receive a management fee of up to 2.5 per cent. per annum of the net asset value of the Fund. However, the Manager currently receives a fee of 1.75 per cent. per annum of the net asset value of the Fund and may only increase the level of its fee (which may not exceed 2.5 per cent. per annum of the net asset value of the Fund) by giving to the Trustee and the unitholders not less than one month's notice of the increased level of management fee. This fee shall accrue daily based on the net asset value of the Fund on each dealing day and shall be payable monthly in arrears. If the assets of the Fund include interests in any unit trust or other collective investment scheme managed by the Manager or its connected persons, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the Fund's interest in such unit trust or scheme. Where the Fund invests in any underlying scheme(s) managed by the Manager and/or the Investment Manager or any of their Connected Persons, all initial charges and redemption charges on the underlying scheme(s) shall be waived. The Manager and/or the Investment Manager of the Fund may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company.

The fees of the Investment Manager will be borne by the Manager. The fees of the Investment Adviser will be borne by the Investment Manager.

Trustee Fee

The Trustee is entitled to receive a trustee fee of 0.2 per cent. per annum of the net asset value of the Fund. However, the Trustee currently receives a fee at the following rates of the Fund's net asset value:-

	Rate (per annum)
On the first US$40,000,000	0.06%
On the next US$30,000,000	0.04%
On the balance over US$70,000,000	0.025%

The Trustee may only increase the level of its fee (which may not exceed 0.2 per cent. per annum) with the agreement of the Manager and by giving to the unitholders not less than one month's notice of the increased level of trustee fee. The trustee fee shall accrue daily based on the net asset value of the Fund on each dealing day and shall be payable monthly in arrears.

For details of the current fees and charges in respect of dealings made through any other channels from time to time specified by JPMorgan Funds (Asia) Limited, please consult JPMorgan Funds (Asia) Limited.

Other Liabilities

Save for the cost of establishing the Fund, details under the sub-section entitled "Other Liabilities" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

There are no unamortised establishment costs outstanding relating to this Fund.

CONFLICTS OF INTEREST

For details of the Manager's current policy on conflicts of interest, please refer to the section entitled "CONFLICTS OF INTEREST" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

TAXATION

The following sub-sections under Section D – TAX NOTES of the Consolidated Explanatory Memoranda apply to the Fund:

(i) "(i) General";

(ii) the sub-paragraph entitled "Hong Kong" under the sub-section entitled "(ii) Taxation of Funds in their Country/Region of Formation";

(iii) "(iii) Taxation of Unitholders"; and

(iv) the sub-paragraph entitled "The People's Republic of China ("PRC")" under the sub-section entitled "(iv) Investment Markets".

REPORTS AND ACCOUNTS

For details of the reports and accounts of the Fund, please refer to the section entitled "REPORTS AND ACCOUNTS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

GENERAL

Save for the provisions on "Documents Available for Inspection" and "Duration of the Funds", the general provisions under the section entitled "GENERAL" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

The provisions on "Documents Available for Inspection" and "Duration of the Fund" which apply to this Fund are set out below.

Documents Available for Inspection

Copies of the following documents are available for inspection free of charge during normal working hours at the offices of the Manager:

(i) Trust Deed and Base Terms.

(ii) Investment Management Agreement.

(iii) Investment Advisory Agreement.

(iv) Operating Agreement.

Duration of the Fund

Unless previously terminated, the Fund will terminate automatically on the date immediately preceding the eightieth anniversary of the date of the Trust Deed. The Manager may, in certain circumstances, by notice in writing to the Trustee terminate the Fund at any time. Such circumstances include (i) the QFII status of the Investment Manager is revoked by the competent authority or regulator of the PRC; (ii) the passing of any law which renders it illegal to continue the Fund or, in the opinion of the Manager, impracticable or inadvisable to continue the Fund; (iii) where the aggregate net asset value of the Fund falls below US$50,000,000 or its equivalent in the currency in which the Fund is denominated; or (iv) where the Manager (with the approval of the Trustee) considers termination of the Fund is in the best interest of unitholders. The Fund may also be terminated by Extraordinary Resolution of the unitholders at any time.

The Manager may in its absolute discretion, but subject to any required approval of the SFC, if it considers it to be in the best interest of unitholders, give not less than 3 months' written notice to unitholders and the Trustee (or such shorter period of notice as the SFC may agree) of termination of the Fund and, (a) in consideration for subscription in cash following realisation of the assets of the Fund or the transfer of substantially all the assets of the Fund, apply for new shares, units or other interests in a collective investment scheme (whether a unit trust, an open-ended investment company or otherwise) whose investment objectives and restrictions are substantially the same as those of the Fund and in its application determine whether such new shares, units or other interests are to be issued or registered in the name of unitholders directly or in a company nominated by the Manager as nominee for unitholders; or (b) distribute on a pro rata basis all or any of the investments held by the Fund to unitholders or into the name of a company nominated by the Manager as nominee for unitholders.

Any unclaimed proceeds or other cash held by the Trustee upon termination of a Fund may at the expiration of twelve months from the date upon which the same were payable be paid into a court of competent jurisdiction subject to the right of the Trustee to deduct therefrom any expenses it may incur in making such payment.

MANAGEMENT AND ADMINISTRATION DIRECTORY

Manager and Service Provider

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Trustee

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Directors of JPMorgan Funds (Asia) Limited

Chan, Tsun Kay, Edwin
Ebrahim, Ayaz
Leung, Kit Yee, Elka
Roberts, Ioan William
Watkins, Daniel James

Registrar

HSBC Trustee (Cayman) Limited
PO Box 484
HSBC House
68 West Bay Road
Grand Cayman KY1-1106
Cayman Islands

Investment Manager

JPMorgan Asset Management (Asia Pacific) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Auditors

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
1 Des Voeux Road Central
Hong Kong

Investment Adviser

China International Fund Management Co. Ltd.
20/F, Aurora Plaza
99 Fu Cheng Road, Pudong
Shanghai 200120
People's Republic of China

Additional information is available from: -

JPMorgan Funds (Asia) Limited
GPO Box 11448
Hong Kong

Telephone: (852) 2265 1188
Facsimile: (852) 2868 5013

JPMorgan Europe Strategic Dividend Fund

INTRODUCTION

JPMorgan Europe Strategic Dividend Fund ("Fund") is a unit trust constituted by a Trust Deed dated 10 March 2016 ("Trust Deed") governed by the laws of Hong Kong. The Fund has been authorised as a collective investment scheme in the form of a unit trust by the Securities and Futures Commission ("SFC") under Section 104 of the *Securities and Futures Ordinance* (Cap. 571 of the Laws of Hong Kong) ("SFO") and the Code on Unit Trusts and Mutual Funds ("SFC Code"). SFC authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Fund's portfolio is subject to market fluctuations and exchange rate fluctuations and to the risks inherent in all investments. Therefore, the value of the Fund and the level of distributions (if any) may go down as well as up.

FUND PARTIES

The Fund is managed by JPMorgan Funds (Asia) Limited ("Manager"), a company incorporated with limited liability under the laws of Hong Kong.

Day-to-day investment management of the Fund has been delegated to JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited) ("Investment Manager"), a company incorporated with limited liability in Hong Kong. The Investment Manager has further appointed JPMorgan Asset Management (UK) Limited, a company incorporated in England and Wales with limited liability as sub-manager ("Sub-Manager").

HSBC Institutional Trust Services (Asia) Limited, acting as trustee of the Fund ("Trustee"), is incorporated in Hong Kong and is registered as a trust company under the Trustee Ordinance in Hong Kong. The Trustee is an indirect wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. Under the Trust Deed, the Trustee is responsible for the safe-keeping of the Fund's investments. The HSBC Group has adopted a policy of compliance with the sanctions issued by The Office of Foreign Assets Control of the US Department of the Treasury.

HSBC Trustee (Cayman) Limited is the registrar of the Fund ("Registrar") and is incorporated with limited liability in the Cayman Islands. The Registrar is responsible for keeping the register of unitholders.

INVESTMENT OBJECTIVES, POLICY AND RESTRICTIONS

Investment Objective and Policy

The investment objective and policy of the Fund are to aim to provide income and long term capital growth by investing at least 70% of its total net asset value in equity securities of companies which are based in, listed on stock exchange of or operate principally in Europe and are expected to pay dividends. In search of income, the Fund may have significant positions in specific sectors or countries from time to time.

Such equity securities are issued by the companies whose management indicates their intention on future dividend payouts to shareholders. The following factors are typically considered when determining such equity securities, but are not limited to: public company announcements and company interviews with regard to dividend policies; cash flow analysis; and historical records.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund may invest up to 30% of its total net asset value in equity securities other than European equity securities that are expected to pay dividends.

The Fund may invest up to 10% of its total net asset value in debt securities.

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.

The Fund may also invest in derivatives such as options, warrants, and futures for investment purposes and may under limited circumstances (e.g. for cash management purpose) as considered appropriate by the Manager and the Investment Manager, hold temporarily up to 100% of its total net asset value in cash and cash based instruments.

Currently, the Fund does not intend to i) invest in asset-backed securities (including mortgage-backed securities and asset-backed commercial securities); or ii) enter into securities lending arrangements, repurchase agreements, reverse repurchase agreements

or other similar over-the counter transactions. Should these investment policies change in the future, the Manager will follow the appropriate legal and regulatory requirements and the offering document will be updated accordingly.

The Fund will have limited Renminbi (RMB) denominated underlying investments.

The investment objective, policy and investment restrictions and guidelines of the Fund may, subject to the approval of the Trustee and/or the SFC (as applicable), vary from time to time when the Manager considers appropriate in the circumstances.

Investment Restrictions and Guidelines

The Fund may invest in anything into which a person may invest, subject to the investment restrictions as stipulated in the sub-section entitled "Investment Restrictions and Guidelines" under the section entitled "INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds, unless otherwise set out below.

The following investment restrictions and guidelines are applicable to the Fund:

The value of the Fund's holding of equity securities of companies, which are based in, listed on stock exchange of or operate principally in Europe and are expected to pay dividends, shall not be less than 70% of its total net asset value in securities and other investments.

Borrowing and Leverage

For information about the borrowing and leverage of the Fund, please refer to the section entitled "Borrowing and Leverage" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Securities Financing Transactions Policy

For details of the securities financing transactions policy of the Fund, please refer to the section entitled "Securities Financing Transactions Policies" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

RISKS

The performance of the Fund will be affected by a number of risk factors, including the risk factors as set out in the section entitled "RISKS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

In addition, the following risk factors are applicable to the Fund:

(i) Market risk – The Fund's investments are subject to the risks inherent in all securities i.e. there is no guarantee that the investment objective can be met and the value of holdings may fall as well as rise. In addition, the Funds may be subject to investment holding limits imposed on investors by certain markets in which the Funds invests.

(ii) Dividend-paying equity risk – There can be no guarantee that the companies that the Fund invests in and which have historically paid dividends will continue to pay dividends or to pay dividends at the current rates in the future. The reduction or discontinuation of dividend payments may have a negative impact on the value of the Fund's holdings and consequently, the Fund may be adversely impacted.

(iii) Concentration risk – The Fund may concentrate its investments in Europe and certain specific sectors. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting Europe and/or the sector in which it invests.

(iv) Distribution risk – The Manager intends to distribute at least 85 per cent. of the income (net of expenses) attributable to each Class in respect of each accounting period. However, there is no assurance on such distribution or the distribution rate or dividend yield.

(v) Payment of distributions out of capital risk – Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realised and unrealised capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit.

The distribution amount and net asset value of the Currency Hedged Classes may be adversely affected by differences in the interest rates of the denominated currency of the Currency Hedged Classes and the base currency of the Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-Currency Hedged Classes.

(vi) RMB currency risk – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the People's Republic of China. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including US dollars and HK dollars, are susceptible to movements based on external factors. Accordingly, the investment in Classes denominated in RMB may be adversely affected by the fluctuations in the exchange rate between RMB and other foreign currencies.

RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government.

Classes denominated in RMB will generally be valued with reference to RMB (CNH) rather than RMB (CNY). While RMB (CNH) and RMB (CNY) represent the same currency, they are traded in different and separate markets which operate independently. As such RMB (CNH) does not necessarily have the same exchange rate and may not move in the same direction as RMB (CNY). Any divergence between RMB (CNH) and RMB (CNY) may adversely impact investors.

Classes denominated in RMB participate in the offshore RMB (CNH) market, which allow investors to freely transact CNH outside of mainland China. Classes denominated in RMB will have no requirement to remit CNH to onshore RMB (CNY). Non-RMB based investors (e.g. Hong Kong investors) in Classes denominated in RMB may have to convert HK dollars or other currencies into RMB when investing in Classes denominated in RMB and subsequently convert the RMB redemption proceeds and/or distributions (if any) back to HK dollars or such other currencies. Investors will incur currency conversion costs and may suffer losses depending on the exchange rate movements of RMB relative to HK dollars or such other currencies. Also, there can be no assurance that RMB will not be subject to devaluation and any depreciation of RMB could adversely affect the value of the investor's investment in the Fund.

Even if the Fund aims at paying redemption monies and/or distributions of RMB denominated Classes in RMB, the Manager may, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, pay redemption monies and/or distributions in Fund's base currency. There is also a risk that payment of redemption monies and/or distributions in RMB may be delayed when there is not sufficient amount of RMB for currency conversion for settlement of the redemption monies and distributions in a timely manner due to the exchange controls and restrictions applicable to RMB. In any event, the redemption proceeds will be paid not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.

(vii) Class currency risk – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not Australian dollars) and chooses to invest in the AUD Hedged Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and Australian dollars upon the reconversion of its Australian dollars investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in Australian dollars. For further details, please refer to the sub-section entitled "Currency Hedged Classes" in the section entitled "CLASSES OF UNITS" below.

(viii) Risks related to the Eurozone sovereign debt crisis – The Fund may invest substantially in the Eurozone. In light of the ongoing fiscal conditions and concerns on the sovereign debt risk of certain countries within the Eurozone (in particular, Portugal, Ireland, Italy, Greece and Spain), the Fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. The performance of the Fund may deteriorate significantly should there be any adverse credit events (e.g. downgrade of the sovereign credit rating, obligation default, etc) of any Eurozone country or exit of members from the Eurozone.

CLASSES OF UNITS

Pursuant to the Trust Deed, the Manager may decide to issue separate classes (each a "Class") whose assets will be commonly invested but where a specific fee structure, currency or distribution policy may be applied. Each Class may have a different charging structure with the result that the net asset value attributable to each Class may differ.

Currently, the following Classes are available:

Class	Class Currency
JPMorgan Europe Strategic Dividend (mth) - AUD (hedged)	Australian dollars
JPMorgan Europe Strategic Dividend (mth) - CAD (hedged)	Canadian dollars
JPMorgan Europe Strategic Dividend (mth) - EUR	Euro
JPMorgan Europe Strategic Dividend (mth) - GBP (hedged)	Sterling
JPMorgan Europe Strategic Dividend (mth) - HKD (hedged)	HK dollars
JPMorgan Europe Strategic Dividend (mth) - NZD (hedged)	New Zealand dollars
JPMorgan Europe Strategic Dividend (mth) - RMB (hedged)	Renminbi
JPMorgan Europe Strategic Dividend (mth) - USD (hedged)	US dollars

The Manager also has the power under the Trust Deed to cease to offer any Class (either temporarily or permanently). The Manager shall be entitled to cancel all units of a particular Class then in issue if at any time the net asset value of that Class falls below US$5 million (or its equivalent in another currency) or at any time with the sanction of an Extraordinary Resolution. In such event, the Manager shall issue to the affected unitholders units of an equivalent value of such other existing Class (if any) as the Manager may in its absolute discretion determine. Prior to such cancellation and issue of units, the Manager shall give the Trustee and all affected unitholders one month's notice (or such other notice period as required by the SFC) of its determination to cancel that Class and the new Class of units to be issued in substitution therefor (if any).

Currency Hedged Classes

For details of Currency Hedged Class of the Fund, please refer to the sections entitled "Currency Hedged Classes" and "AUD Hedged Class/CAD Hedged Class/EUR Hedged Class/GBP Hedged Class/HKD Hedged Class/NZD Hedged Class/RMB Hedged Class/SGD Hedged Class/USD Hedged Class" respectively in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

DISTRIBUTION POLICY

The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval (if applicable) and one month's prior notice to the relevant unitholders.

It is the intention of the Manager to have at least 85 per cent. of the income attributable to the following Classes respectively in respect of each accounting period, after charging the expenses attributable to these Classes respectively, to be distributed to unitholders of these Classes respectively:

Class
JPMorgan Europe Strategic Dividend (mth) - AUD (hedged)
JPMorgan Europe Strategic Dividend (mth) - CAD (hedged)
JPMorgan Europe Strategic Dividend (mth) - EUR
JPMorgan Europe Strategic Dividend (mth) - GBP (hedged)
JPMorgan Europe Strategic Dividend (mth) - HKD (hedged)
JPMorgan Europe Strategic Dividend (mth) - NZD (hedged)
JPMorgan Europe Strategic Dividend (mth) - RMB (hedged)
JPMorgan Europe Strategic Dividend (mth) - USD (hedged)

It is the intention of the Manager to make distributions on a monthly basis or/and at such other time as the Manager may, with the prior approval of the Trustee, notify to unitholders. The Manager expects to be able to pay distributions from income generated by the Fund from its investment but in the event that such income is insufficient to pay distributions as it declares, the Manager may in its discretion determine that such distributions may be paid from capital. Please also refer to the risk factor entitled "Payment of distributions out of capital risk".

Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[#].

[#] The website has not been reviewed by the SFC.

The transferee of a unit will be entitled to a distribution in respect of such unit if the Registrar has received a valid instrument of transfer (duly stamped if required) in respect of the unit by 3:30 p.m. (Hong Kong time) on the last cum distribution dealing date. The subscriber of a unit shall be entitled to a distribution in respect of such unit if the application for the unit is received by the Manager by 5:00 p.m. (Hong Kong time) on the last cum distribution dealing date.

Reinvestment of Distributions

It is the Manager's current policy to reinvest automatically any distributions in the subscription of further units of the corresponding Class of units of the Fund, unless unitholders notify the Manager otherwise in writing and the amount of the relevant distribution equals to or exceeds US$250 (or its equivalent in another currency). Such further units will be issued on the date of distribution, or if that is not a dealing day, on the next following dealing day. No initial charge will be made on the issue of such further units. In the event that a unitholder redeems or switches its entire holding of the relevant Class before the actual payment date of any distributions, the Manager will redeem the reinvested units on the actual payment date and pay the redemption proceeds to the unitholder in cash if the reinvested units do not meet the relevant minimum holding requirement.

Payment of Distributions by cheque

For unitholders who have notified the Manager in writing to receive payment of distributions instead of having the distributions reinvested automatically in the subscription of further units (except for unitholders of the RMB denominated Class), payment will be made by cheque in the offering currency of the relevant Class and sent, at the risk of the persons entitled thereto, to such persons at the address (or first address in the case of any joint holding) shown in the register of unitholders or as they may direct. Any distribution which is not claimed for six years will be forfeited and becomes part of the assets of the relevant Class (and in case such relevant Class has been terminated, the Fund).

Payment of Distributions by telegraphic transfer

For unitholders of the RMB denominated Class who have notified the Manager in writing to receive payment of distributions instead of having the distributions reinvested automatically in the subscription of further units, payment will normally be made by telegraphic transfer, unless otherwise agreed by the Manager. Unitholders may be liable for any bank charges on payment by telegraphic transfer. Notwithstanding the aforesaid, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, the Manager may pay distributions in Fund's base currency.

BASES OF VALUATIONS

The method of establishing the net asset value of each Class is set out in the Trust Deed. The net asset value per unit of each Class is calculated by dividing the value of the assets of that Class, less liabilities of that Class, by the total number of units of that Class in issue as at 5:00 p.m. (Hong Kong time) on the immediately preceding dealing day or such other time agreed between the Manager and the Trustee. Any rounding adjustment arising in respect thereof will be retained by the relevant Class. In general, quoted investments are valued at their closing price and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Manager or a professional person engaged for this purpose. Interest and other income and liabilities are, where practicable, accrued from day to day. Such valuations will be expressed in the offering currency of the relevant Class. The Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

Market volatility may result in a discrepancy between the latest available net asset value for each Class and the fair value of the assets of the relevant Class. Certain investors might exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on redemption, other unitholders may suffer a dilution in the value of their investment. As a safeguard against such exploitation, the Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the net asset value of the relevant Class or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders. It should be noted that the bases of valuations adopted by the relevant Class and the Fund may not be the same as the accounting principles generally accepted in Hong Kong. Further details are set out in the section entitled "REPORTS AND ACCOUNTS" below.

DEALING

For details of the dealing procedure of the Fund, please refer to the section entitled "DEALING" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SUBSCRIPTIONS

The Manager has absolute discretion to accept or reject in whole or in part any application for units.

The Fund is denominated in Euro.

The section entitled "SUBSCRIPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

Initial Issue Price

The first issue of units of the existing Classes were made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Europe Strategic Dividend (mth) - AUD (hedged)	AU$10.00
JPMorgan Europe Strategic Dividend (mth) - EUR	EUR10.00
JPMorgan Europe Strategic Dividend (mth) - HKD (hedged)	HK$10.00
JPMorgan Europe Strategic Dividend (mth) - RMB (hedged)	RMB10.00
JPMorgan Europe Strategic Dividend (mth) - USD (hedged)	US$10.00

The first issue of units of the following Classes will be made at the prices below, excluding the initial charge referred to above:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Europe Strategic Dividend (mth) - CAD (hedged)	CA$10.00
JPMorgan Europe Strategic Dividend (mth) - GBP (hedged)	GBP10.00
JPMorgan Europe Strategic Dividend (mth) - NZD (hedged)	NZ$10.00

REDEMPTIONS

For details of redemptions of the Fund, please refer to the section entitled "REDEMPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SWITCHING

For details on how to switch between Classes of units within the same Fund or between the Fund and other funds managed by the Manager or in respect of which the Manager acts as Hong Kong representative, please refer to the section entitled "SWITCHING" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

FEES, CHARGES AND LIABILITIES

Initial and Redemption Charges

The Manager may make an initial charge for each Class (normally up to 5 per cent. of the net asset value per unit) from the gross subscription amount on the issue of units where applicable and receive a redemption charge for each Class (normally up to 0.5 per cent. of the net asset value per unit) from the redemption monies on the cancellation or redemption of units where applicable. However, the Manager does not currently levy any redemption charge.

The Manager reimburses approved intermediaries, which include banks, brokers, recognised securities dealers and other investment advisers (collectively, "Distributors"), a proportion of the commissions, fees, charges or other benefits received by it on the value of the relevant business introduced to the Fund.

Management Fee

The Manager is entitled to receive a management fee of up to 2.5 per cent. per annum of the net asset value of each Class. However, the Manager currently receives a fee of 1.5 per cent. per annum of the net asset value of each Class and may only increase the level of its fee (which may not exceed 2.5 per cent. per annum of the net asset value of each Class) by giving to the Trustee and unitholders not less than one month's notice of the increased level of management fee. The management fee shall accrue daily based on the net asset value of each Class on each dealing day and shall be payable monthly in arrears. If the assets of the Fund include interests in any unit trust or other collective investment scheme managed by the Manager or its Connected Persons, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the relevant Class' interest in such unit trust or scheme. Where the Fund invests in any underlying scheme(s) managed by the Manager, the Investment Manager and/or the Sub-Manager or any of their Connected Persons, all initial charges

and redemption charges on the underlying scheme(s) shall be waived. The Manager, the Investment Manager and/or the Sub-Manager of the Fund may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company.

The fees of the Investment Manager will be borne by the Manager. The fees of the Sub-Manager will be borne by the Investment Manager.

Trustee Fee

The Trustee is entitled to receive a trustee fee of 0.2 per cent. per annum of the net asset value of the Fund. However, the Trustee currently receives a fee at the following rates of the Fund's net asset value:-

	Rate (per annum)
On the first EUR35,000,000	0.06%
On the next EUR25,000,000	0.04%
On the balance over EUR60,000,000	0.025%

The Trustee may only increase the level of its fee (which may not exceed 0.2 per cent. per annum) with the agreement of the Manager and by giving to the unitholders not less than one month's notice of the increased level of trustee fee. The trustee fee shall accrue daily based on the net asset value of the Fund on each dealing day and shall be payable monthly in arrears.

For details of the current fees and charges in respect of dealings made through any other channels from time to time specified by JPMorgan Funds (Asia) Limited, please consult JPMorgan Funds (Asia) Limited.

Fiscal Charges

For details of the fiscal charges policy of the Fund, please refer to the sub-section entitled "Fiscal Charges" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Other Liabilities

Save for the cost of establishing the Fund, details under the sub-section entitled "Other Liabilities" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

The cost of establishing the Fund which has not been fully amortised as at the date of this Explanatory Memorandum amounts to approximately HK$351,700. These costs will be borne by the Fund and amortised by no later than the third financial year end (for the avoidance of doubt, if the Fund were to terminate for whatever reason before the third financial year end, any such cost remaining unamortised would be written off upon the Fund's termination).

CONFLICTS OF INTEREST

For details of the Manager's current policy on conflicts of interest, please refer to the section entitled "CONFLICTS OF INTEREST" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

TAXATION

The following sub-sections under Section D – TAX NOTES of the Consolidated Explanatory Memoranda apply to the Fund:

(i) "(i) General";

(ii) the sub-paragraph entitled "Hong Kong" under the sub-section entitled "(ii) Taxation of Funds in their Country/Region of Formation"; and

(iii) "(iii) Taxation of Unitholders".

REPORTS AND ACCOUNTS

For details of the reports and accounts of the Fund, please refer to the section entitled "REPORTS AND ACCOUNTS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

GENERAL

The general provisions under the section entitled "General" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to the Fund.

MANAGEMENT AND ADMINISTRATION DIRECTORY

Manager and Service Provider

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Trustee

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Directors of JPMorgan Funds (Asia) Limited

Chan, Tsun Kay, Edwin
Ebrahim, Ayaz
Leung, Kit Yee, Elka
Roberts, Ioan William
Watkins, Daniel James

Registrar

HSBC Trustee (Cayman) Limited
PO Box 484
HSBC House
68 West Bay Road
Grand Cayman KY1-1106
Cayman Island

Investment Manager

JPMorgan Asset Management (Asia Pacific) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Auditors

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
1 Des Voeux Road Central
Hong Kong

Sub-Manager

JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London
EC4Y 0JP
United Kingdom

Additional information is available from: -

JJPMorgan Funds (Asia) Limited
GPO Box 11448
Hong Kong

Telephone: (852) 2265 1188
Facsimile: (852) 2868 5013

JPMorgan Evergreen Fund

INTRODUCTION

JPMorgan Evergreen Fund ("Fund") is a unit trust constituted by a Trust Deed dated 19 January 2004, as amended from time to time ("Trust Deed") governed by the laws of the Hong Kong. The Fund has been authorised as a collective investment scheme in the form of a Unit Portfolio Management Fund by the Securities and Futures Commission ("SFC") under section 104 of the *Securities and Futures Ordinance* (Cap. 571 of the Laws of Hong Kong) ("SFO") and the Code on Unit Trusts and Mutual Funds ("SFC Code"). SFC authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Fund's portfolio is subject to market fluctuations and exchange rate fluctuations and to the risks inherent in all investments. Therefore, the value of the Fund may go down as well as up.

FUND PARTIES

The Fund is managed by JPMorgan Funds (Asia) Limited ("Manager"), a company incorporated with limited liability under the laws of Hong Kong.

Day-to-day investment management of the Fund has been delegated to JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited) ("Investment Manager"), a company incorporated with limited liability in Hong Kong.

HSBC Institutional Trust Services (Asia) Limited acting as trustee of the Fund ("Trustee"), is incorporated in the Hong Kong and is registered as a trust company under the Trustee Ordinance in Hong Kong. The Trustee is an indirect wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. Under the Trust Deed, the Trustee is responsible for the safe-keeping of the Fund's investments. The HSBC Group has adopted a policy of compliance with the sanctions issued by The Office of Foreign Assets Control of the US Department of the Treasury.

Please refer to the section entitled "FUND PARTIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds in relation to the liabilities of each of the parties described herein.

HSBC Trustee (Cayman) Limited is the registrar of the Fund ("Registrar") and is incorporated with limited liability in the Cayman Islands. The Registrar is responsible for keeping the register of unitholders.

INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS

Investment Objective and Policy

The investment policy of the Fund is to seek to produce a competitive total return in different market conditions. The Fund seeks to achieve this through an actively managed portfolio of collective investment schemes and Qualified Exchange Traded Funds[1] managed by the Manager, its connected parties or external parties.

The Fund will invest primarily (i.e. at least 90% of its net asset value) in other collective investment schemes and Qualified Exchange Traded Funds.

The allocation to the underlying collective investment schemes and Qualified Exchange Traded Funds (collectively "underlying schemes") will be continually monitored and reviewed and changes will be made to ensure that the Fund's objective can be achieved. The asset allocation of the Fund will change according to the Investment Manager's views of fundamental economic and market conditions and investment trends across the globe, taking into consideration factors such as liquidity, costs, timing of execution, relative attractiveness of individual securities and issuers available in the market. In other words, the Fund may invest up to all of its assets in equity underlying schemes when market conditions and opportunities favour equities. When market conditions and opportunities do not favour equities the Fund may invest up to all of its assets in fixed income and money market underlying schemes and other underlying schemes with a low correlation to equities. The Manager may invest in a range of underlying schemes whose underlying assets may be in developed and emerging markets and may embrace the full spectrum of the risk return trade off from low to high risk. The Fund invests with no prescribed asset class, regional, country, industry sector or market capitalisation limits for investment by its underlying schemes.

[1] Qualified Exchange Traded Fund is defined in the sub-section "Investment Restrictions and Guidelines" under the section "INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS".

The Fund will only invest in other collective investment schemes which are either authorised by the SFC[2] or eligible schemes in accordance with the list of recognised jurisdictions published by the SFC, provided that investment in any one of such schemes may not exceed 30% of the Fund's total net asset value. The Fund's investment in Qualified Exchange Traded Funds may be up to 30% of its total net asset value.

The Fund may not invest in other collective investment schemes which may use derivatives extensively for investment purposes.

The investment objective, policy and investment restrictions and guidelines of the Fund may, subject to the approval of the Trustee and/or the SFC (as applicable), vary from time to time when the Manager considers appropriate in the circumstances.

Investment Restrictions and Guidelines

The Fund may invest in anything into which a person may invest, subject to the investment restrictions as stipulated in the section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Where a breach of any of the above investment limits occurs, the Manager and the Investment Manager will as a priority objective within a reasonable period of time take all steps as are necessary to remedy the situation taking due account of the interests of unitholders.

The Manager or the Investment Manager will not be required to sell investments if any of the above limits are exceeded as a result of changes in the value of the Fund's investments, reconstructions or amalgamation, the realisation of units or payments out of the Fund's assets, but the Manager and the Investment Manager shall not make any investment which would result in such limits being further exceeded and the Manager or the Investment Manager shall as a priority objective within such period of time as it considers reasonable having regard to the interests of unitholders endeavour to dispose of investments to the extent necessary to cause such limits no longer to be exceeded.

Borrowing and Leverage

For information about the borrowing and leverage of the Fund, please refer to the section entitled "Borrowing and Leverage" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Securities Financing Transactions Policy

For details of the securities financing transactions policy of the Fund, please refer to the section entitled "Securities Financing Transactions Policies" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

RISKS

The performance of the Fund and the underlying collective investment schemes and Qualified Exchanged Traded Funds ("Underlying Schemes") will be affected by a number of risk factors, including the risk factors as set out in the section entitled "RISKS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds:

In addition, the following risk factors are applicable to the Fund:

(i) Risks of investing in Underlying Schemes – The Fund will be subject to the risks associated with the Underlying Schemes it invests in. The Fund does not have control of the investments of the Underlying Schemes and there is no assurance that the investment objective and strategy of the Underlying Schemes will be successfully achieved which may have a negative impact to the net asset value of the Fund.

The Underlying Schemes in which the Fund may invest may not be regulated by the SFC. There may be additional costs involved when investing into these Underlying Schemes. There is also no guarantee that the Underlying Schemes will always have sufficient liquidity to meet the Fund's redemption requests as and when made.

(ii) Risks associated with debt securities – the Fund's investment (via investing in the Underlying Schemes) in debt securities are subject to the following risks

- Investment grade bond risk – Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review such assigned ratings and bonds may therefore be downgraded

[2] SFC authorisation is not a recommendation or endorsement of a fund nor does it guarantee the commercial merits of the fund or its performance. It does not mean the fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

in rating if economic circumstances (e.g. subject to market or other conditions) impact the relevant bond issues. Downgrading of the bonds may adversely affect the value of the relevant bonds and therefore the performance of the Underlying Schemes (thus the performance of the Fund). The Underlying Schemes may or may not be able to dispose of the bonds that are downgraded. Also, the Underlying Schemes may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.

- Below investment grade/lower rated or unrated investment risk – The Fund (via investing in the Underlying Schemes) may invest in bonds and other debt securities which are unrated or with ratings below investment grade. Accordingly, such investment will be accompanied by a higher degree of credit and liquidity risk than is present with investment in higher rated securities. During economic downturns such bonds typically fall more in value than investment grade bonds as such are often subject to a higher risk of issuer default. The net asset value of the Underlying Scheme may decline or be negatively affected if there is a default of any of the bonds with credit rating of below investment grade that the Underlying Scheme invests in or if interest rates change.

- Credit risk – If the issuer of any of the securities in which the Underlying Schemes' assets are invested defaults, the performance of the Underlying Schemes will be adversely affected and the Underlying Schemes and the Fund could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the Underlying Schemes and the Fund. Decline in credit quality of the issuer may adversely affect the valuation of the relevant bonds, the Underlying Schemes and the Fund. The credit ratings assigned by credit rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or the issuer at all times.

- Interest rate risk – Interest rates in the countries in which the Underlying Schemes' assets will be invested may be subject to fluctuations. Any such fluctuations may have a direct effect on the income received by the Underlying Schemes and its capital value. Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. The prices of bonds generally increase when interest rates decline and decrease when interest rates rise. Longer term bonds are usually more sensitive to interest rate changes. The performance of the Underlying Schemes and the Fund may therefore be adversely affected.

- Credit rating risk – Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.

- Sovereign debt risk – The Fund's investment (via investing in the Underlying Schemes) in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Fund to participate in restructuring such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers.

(iii) Risks related to the Eurozone sovereign debt crisis – The Fund (via investing in the Underlying Schemes) may invest substantially in the Eurozone. In light of the ongoing fiscal conditions and concerns on the sovereign debt risk of certain countries within the Eurozone (in particular, Portugal, Ireland, Italy, Greece and Spain), the Fund's investments in the region may be subject to higher volatitliy, liquidity, currency and default risks. The performance of the Fund may deteriorate significantly should there be any adverse credit events (e.g. downgrade of the sovereign credit rating, obligation default, etc) of any Eurozone country or exit of members from the Eurozone.

In view of the above, investment in the Fund should be regarded as long term in nature. The Fund is, therefore, only suitable for investors who can afford the risks involved.

DISTRIBUTION POLICY

All income will be accumulated and reinvested within the Fund.

BASES OF VALUATIONS

The method of establishing the net asset value of the Fund is set out in the Trust Deed. The net asset value per unit is calculated by dividing the value of the assets of the Fund, less its liabilities, by the total number of units in issue as at 5:00p.m. (Hong Kong time) on the immediately preceding dealing day or such other time agreed between the Manager and the Trustee. Any rounding adjustment arising in respect thereof will be retained by the Fund. In general, quoted investments are valued at their closing price and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Manager or a professional person engaged for this purpose. The value of each unit in any collective investment scheme (other than a unit in a

collective investment scheme which does not provide for units therein to be redeemed at the option of the holder of such a unit, whether listed or not) shall be the last published net asset value per unit in such collective investment scheme or (if such net asset value is not published or not considered by the Manager to be appropriate) a price calculated as the average of the last published bid and offer price for such a unit. Cash, deposits and similar investments shall be valued at their face value (together with accrued but unpaid interest). Interest and other income and liabilities are, where practicable, accrued from day to day. Such valuations will be expressed in US dollars. The Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

Market volatility may result in a discrepancy between the latest available net asset value for the Fund and the fair value of the assets of the Fund. Certain investors might exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on redemption, other unitholders may suffer a dilution in the value of their investment. As a safeguard against such exploitation, the Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the net asset value of the Fund or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders. It should be noted that the bases of valuations adopted by the Fund may not be the same as the accounting principles generally accepted in Hong Kong. Further details are set out in the section entitled "Reports and Accounts" below.

DEALING

Save for the procedures on issuance and redemption of units, the dealing procedures under the section entitled "DEALING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

The procedures on issuance and redemption of units which apply to this fund are set out below.

Units will normally be issued or redeemed on any dealing day which will normally be every day (other than a Saturday or a Sunday or a Hong Kong public holiday) on which banks in Hong Kong are open for normal banking business and on which all or part of the collective investment scheme(s) invested in by the Fund are available for normal dealing.

In order for units to be issued or redeemed on any particular dealing day, a subscription application or redemption request (as the case may be) must be received by the Manager not later than 5:00 p.m. (Hong Kong time) on that dealing day or such other time agreed between the Manager and the Trustee. Subscription applications or redemption requests received after that time will be dealt with on the immediately following dealing day.

SUBSCRIPTIONS

The Fund is denominated in US dollars.

Save for the minimum investment set out in the sub-section entitled "Procedure for Application" below, the section entitled "SUBSCRIPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund, save that the maximum initial charge payable shall be normally up to 3 per cent. of the net asset value per unit.

Initial Issue Price

The first issue of units was made at a price of US$10.00 per unit, excluding the initial charge.

Procedure for Application

The minimum investment which applies to this Fund is set out below.

The minimum lump sum investment is normally US$5,000. Alternatively, monthly investments may be made at a minimum of HK$1,000. The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment as permitted under the constitutive documents of the Fund and in respect of dealing through any other channels from time to time specified by the Manager.

REDEMPTIONS

Save for the procedure on partial redemptions of holdings set out in the sub-section entitled "Procedure for Redemption" below, the section entitled "REDEMPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

Procedure for Redemption

The procedure on partial redemptions of holdings which applies to this Fund is set out below.

Partial redemptions of holdings are permitted, provided that they do not result in a unitholder holding units in the Fund having an aggregate value of less than normally US$5,000 on the day of redemption. If a switch or redemption request results in a holding below US$5,000, or equivalent in another currency, on the relevant dealing day, the Manager may, at its absolute discretion, treat the switch or redemption request as an instruction to redeem or switch, as appropriate, the total holding in the Fund.

For partial redemptions of holdings of the Fund through other channels from time to time specified by the Manager, investors should consult the Manager to find out the minimum holding after redemption that is applicable to them.

SWITCHING

For details on how to switch between the Fund and other funds managed by the Manager or in respect of which the Manager acts as Hong Kong representative, please refer to the section entitled "SWITCHING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

FEES, CHARGES AND LIABILITIES

Initial and Redemption Charges

The Manager may make an initial charge (normally up to 3 per cent. of the net asset value per unit) from the gross subscription amount on the issue of units where applicable and receive a redemption charge (normally up to 0.5 per cent. of the net asset value per unit) from the redemption monies on the cancellation or redemption of units where applicable. However, the Manager does not currently levy any redemption charge.

The Manager reimburses to approved intermediaries, which include banks, brokers, recognised securities dealers and other investment advisers (collectively, "Distributors"), a proportion of the commissions, fees, charges or other benefits received by it on the value of the relevant business introduced to the Fund.

The Manager currently intends that the Fund will invest significantly in collective investment schemes managed by the Manager, the Investment Manager or any of their Connected Persons. However, neither the Manager nor the Investment Manager may for the account of the Fund invest in any such collective investment schemes where the full amount of any initial charge is not waived.

Management Fee

The Manager is entitled to receive a management fee of up to 2.5 per cent. per annum of the net asset value of the Fund. However, the Manager currently receives a fee of 0.5 per cent. per annum of the net asset value of the Fund and may only increase the level of its fee (which may not exceed 2.5 per cent. per annum of the net asset value of the Fund) by giving to the Trustee and unitholders not less than one month's notice of the increased level of management fee. The management fee shall accrue daily based on the net asset value of the Fund on each dealing day and shall be payable monthly in arrears. In addition, the Fund will indirectly bear a pro rata portion of the fees paid by the underlying collective investment schemes in which it invests to the managers or other service providers of such schemes. The management fees of the collective investment schemes that the Fund may find interests in currently range between zero per cent. and 2 per cent. per annum and may not exceed 4 per cent. per annum of the net asset value of the relevant collective investment schemes. In addition to the management fees, performance fees may be levied by certain collective investment schemes in which the Fund invests.

Where the Fund invests in any underlying scheme(s) managed by the Manager and/or the Investment Manager or any of their Connected Persons, all initial charges and redemption charges on the underlying scheme(s) shall be waived. The Manager and/or the Investment Manager of the Fund may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company.

The fees of the Investment Manager will be borne by the Manager.

Trustee Fee

The Trustee is entitled to a fee at the rate of 0.03 per cent. per annum of the net asset value of the Fund. The Trustee may only increase the level of its fee with the agreement of the Manager and by giving to the unitholders not less than one month's notice of the increased level of trustee fee. The trustee fee shall accrue daily based on the net asset value of the Fund on each dealing day and shall be payable monthly in arrears.

For investment in unit trusts or other collective investment schemes managed by the Manager or certain management companies connected with the Manager, both the Fund and such connected collective investment schemes will charge a trustee fee. Currently such trustee fees range between zero per cent. and 0.5 per cent. per annum and may not exceed 1 per cent. per annum of the net asset value of the underlying collective investment schemes.

For details of the current fees and charges in respect of dealings made through any other channels from time to time specified by JPMorgan Funds (Asia) Limited, please consult JPMorgan Funds (Asia) Limited.

Other Liabilities

Save for the cost of establishing the Fund, details under the sub-section entitled "Other Liabilities" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

There are no unamortised costs outstanding relating to this Fund.

CONFLICTS OF INTEREST

In addition to the Manager's current policy on conflicts of interest as stipulated in the section entitled "CONFLICTS OF INTEREST" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds, the following paragraph also applies to the Fund:

The Manager may act in the capacity of a distributor for certain collective investment schemes managed by the Manager's connected parties. The Manager will receive distribution fees for carrying out such distribution functions for these collective investment schemes. The Fund may invest in these collective investment schemes and consequently the Manager may, in the capacity of a distributor, receive distribution fees in respect of the units/shares invested by the Fund.

TAXATION

The following sub-sections under Section D – TAX NOTES of the Consolidated Explanatory Memoranda apply to the Fund:

(i) "(i) General";

(ii) the sub-paragraph entitled "Hong Kong" under the sub-section entitled "(ii) Taxation of Funds in their Country/Region of Formation"; and

(iii) "(iii) Taxation of Unitholders".

In addition, the following are also applicable to the Fund:

Luxembourg

If the underlying collective investment schemes that the Fund will invest in are open-ended investment companies incorporated in Luxembourg and authorised under Part I or Part II of the Luxembourg law of December 20, 2002 relating to collective investment undertakings, the Fund will normally not be subject to any capital gains, income, withholding or other taxes in Luxembourg in relation to its investments in such schemes. The Part I and Part II schemes will be subject in Luxembourg to the "taxe d'abonnement" of up to 0.05 per cent. per annum based on the net asset value of the schemes concerned.

REPORTS AND ACCOUNTS

For details of the reports and accounts of the Fund, please refer to the section entitled "REPORTS AND ACCOUNTS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

GENERAL

The general provisions under the section entitled "GENERAL" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

MANAGEMENT AND ADMINISTRATION DIRECTORY

Manager and Service Provider

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Trustee

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Directors of JPMorgan Funds (Asia) Limited

Chan, Tsun Kay, Edwin
Ebrahim, Ayaz
Leung, Kit Yee, Elka
Roberts, Ioan William
Watkins, Daniel James

Registrar

HSBC Trustee (Cayman) Limited
PO Box 484
HSBC House
68 West Bay Road
Grand Cayman KY1-1106
Cayman Islands

Investment Manager

JPMorgan Asset Management (Asia Pacific) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Auditors

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
1 Des Voeux Road Central
Hong Kong

Additional information is available from: -

JPMorgan Funds (Asia) Limited
GPO Box 11448
Hong Kong

Telephone: (852) 2265 1188
Facsimile: (852) 2868 5013

JPMorgan Global Property Income Fund*

Units of JPMorgan Global Property Income Fund ("Fund") are not deposits and are not insured by the U.S. Federal Deposit Insurance Corporation, the U.S. Federal Reserve Board, or any other governmental agency. The Fund is not a bank and is a separate legal entity from JPMorgan Funds (Asia) Limited ("Manager"), JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited) ("Investment Manager") and J.P. Morgan Investment Management Inc. ("Sub-Manager") and their bank affiliates. Units of the Fund are not obligations of the Manager, the Investment Manager, the Sub-Manager or their bank affiliates. The U.S. Securities and Exchange Commission nor the securities commission or other agency of any other U.S. state has reviewed or passed upon the merits of this offering. The Fund will not register as an investment company under the U.S. Investment Company Act of 1940, as amended ("Investment Company Act"), pursuant to the exemption contained in Section 7(d) thereunder. Consequently, investors will not be afforded any of the protections of the Investment Company Act. The units have not been registered under the U.S. Securities Act of 1933, as amended, ("Act") or under any similar or analogous provision of law enacted by any jurisdiction in the United States. The units may not be offered or sold within the United States or sold to any U.S. person (as defined in the Act).

INTRODUCTION

JPMorgan Global Property Income Fund is a unit trust constituted by a Trust Deed dated 6 July 2005, as amended from time to time ("Trust Deed") governed by the laws of Hong Kong. The Fund has been authorised as a collective investment scheme in the form of a unit trust by the Securities and Futures Commission ("SFC") under section 104 of the *Securities and Futures Ordinance* (Cap. 571 of the Laws of Hong Kong) ("SFO") and the Code on Unit Trusts and Mutual Funds ("SFC Code"). SFC authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors. Investors should note that the Fund is not authorised under or regulated by the SFC's Code on Real Estate Investment Trusts.

The Fund's portfolio is subject to market fluctuations and exchange rate fluctuations and to the risks inherent in all investments. Therefore, the value of the Fund and the level of distributions (if any) may go down as well as up.

FUND PARTIES

JPMorgan Funds (Asia) Limited, the Manager of the Fund, is incorporated with limited liability under the laws of Hong Kong.

Day-to-day investment management of the Fund has been delegated to the Investment Manager, JPMorgan Asset Management (Asia Pacific) Limited, a company incorporated with limited liability in Hong Kong. The Investment Manager has further delegated certain of its investment management functions to the Sub-Manager, J.P. Morgan Investment Management Inc., a company incorporated in the United States of America and registered with the U.S. Securities and Exchange Commission as an investment adviser. The Sub-Manager's Form ADV, Part II as filed with the Securities and Exchange Commission in the United States is available from the Manager upon request.

HSBC Institutional Trust Services (Asia) Limited acting as trustee of the Fund ("Trustee"), is incorporated in Hong Kong and is registered as a trust company under the Trustee Ordinance in Hong Kong. The Trustee is an indirect wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. Under the Trust Deed, the Trustee is responsible for the safe-keeping of the Fund's investments. The HSBC Group has adopted a policy of compliance with the sanctions issued by The Office of Foreign Assets Control of the US Department of the Treasury.

Please refer to the section entitled "FUND PARTIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds in relation to the liabilities of each of the parties described herein.

HSBC Trustee (Cayman) Limited is the registrar of the Fund ("Registrar") and is incorporated with limited liability in the Cayman Islands. The Registrar is responsible for keeping the register of unitholders.

INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS

Investment Objective

The investment objective of the Fund is to achieve a high level of current income and long-term capital appreciation primarily (i.e. at least 70% of its total net asset value) through investing in equity securities that are listed on any stock exchange and are principally engaged in or related to the property industry or which own significant property assets. The Fund does not invest in real estate directly.

* The Fund is authorised by the SFC under the Code on Unit Trusts and Mutual Funds, not the Code on Real Estate Investment Trusts.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes and may under limited circumstances (e.g. for cash management purpose) as considered appropriate by the Manager and the Investment Manager, hold temporarily up to 100% of its total net asset value in cash and cash based instruments subject to the provisions set out under the section entitled "Investment Restrictions and Guidelines" below.

Investment Policy

In order to achieve the investment objective, the Fund will invest in markets which have well-developed real estate-related securities markets, including but not limited to markets in North America, Asia and Europe. Over time, if other markets are deemed, in the opinion of the Manager, to be well-developed, the Fund may also invest in such markets. The Fund may invest in shares in real estate companies or interests in real estate investment trusts which may not be necessarily authorised by the SFC. The Fund may invest 30% or more of its total net asset value in real estate investment trusts.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any one country or region or any limitation on the market capitalisation of the companies in which it may invest.

The Fund may also invest in securities that directly or indirectly represent participations in, or are collateralised by and payable from, mortgage loans secured by real property ("Mortgage-Backed Securities"), such as mortgage pass-through certificates, real estate mortgage investment conduit ("REMIC") certificates and collateralised mortgage obligations ("CMOs"). The Fund may hold special purpose real estate investment trusts which focus their investments on specific real estate property sectors including but not limited to apartments, office buildings, warehouses, shopping centers, hotels and nursing homes. Consideration will be made to investments across the capital structure including but not limited to common shares, preferred shares, convertible preferred shares, debt securities where appropriate. The Fund may invest less than 30% of its total net asset value in Mortgage-Backed Securities and there is no restriction on the credit rating of the Mortgage-Backed Securities invested by the Fund.

The Investment Manager seeks to assess the impact of environmental, social andgovernance factors on the cash flows of many companies in which it may invest to identify issuers that it believes will be negatively impacted by such factors relative to other issuers. These determinations may not be conclusive and it may purchase and retain such securities.

The Fund does not have any particular focus on the currency denomination of its underlying assets. Non-USD currency exposure may be hedged.

The investment objective, policy and investment restrictions and guidelines of the Fund may, subject to the approval of the Trustee and/or the SFC (as applicable), vary from time to time when the Manager considers appropriate in the circumstances.

Investment Restrictions and Guidelines

The Fund may invest in anything into which a person may invest, subject to the investment restrictions as stipulated in the section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

In addition, the value of the Fund's holding of securities that are listed on any stock exchange and are principally engaged in or related to the property industry or which own significant property assets shall not be less than 70 per cent. of its total net asset value in securities and other investments.

Borrowing and Leverage

For information about the borrowing and leverage of the Fund, please refer to the section entitled "Borrowing and Leverage" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Securities Financing Transactions Policy

For details of the securities financing transactions policy of the Fund, please refer to the section entitled"Securities Financing Transactions Policies" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

RISKS

The performance of the Fund will be affected by a number of risk factors, including the risk factors as set out in the section entitled "RISKS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

In addition, the following risk factors are applicable to the Fund:

(i) Real estate securities risk – The Fund's investments in real estate securities are subject to the same risks as direct investments in real estate. Real estate values rise and fall in response to many factors, including local, regional and national economic conditions, the demand for rental property, and interest rates. When economic growth slows, demand for property may decrease and prices may fall. Rising interest rates, which drive up mortgage and financing costs, can affect the profitability and liquidity of properties in the real estate market. Property values may also decrease because of overbuilding, extended vacancies, increases in property taxes and operating expenses, zoning laws, environmental regulations, clean-up of and liability for environmental hazards, uninsured casualty or condemnation losses, or a general decline in neighbourhood values. The Fund's investments and the investor's investment may decline in response to declines in property values or other adverse changes to the real estate market. The performance of the real estate securities in which the Fund invests is also largely dependent on the organization, skill and capital funding of the managers and operators of the underlying real estate.

(ii) Real estate investment trusts ("REITs") risk – The Fund may invest in REITs which invest primarily in real estate and this may involve a higher level of risk as compared to a diversified fund and other securities. Real estate investments are relatively illiquid and may affect the ability of a REIT to vary its investment portfolio or liquidate part of its assets in response to changes in economic conditions, international securities markets, foreign exchange rates, interest rates, real estate market or other condition. REITs may have limited financial resources, may trade less frequently and in a limited volume and may be subject to more abrupt or erratic price movements than other securities.

REITs are dependent upon management skills, are not diversified, are subject to heavy cash flow dependency, default on borrowings and self-liquidation. REITs are also subject to the possibility of failing to qualify for tax-free pass-through of income, as in some jurisdictions special tax rules may apply to impose tax on the REITs or withhold tax on income derived from REITs and the Fund will not obtain a credit for any tax paid by the REITs or tax on payments out of the REITs.

REITs are also subject to interest rate risks. When interest rates decline, the value of a REIT's investment in fixed rate obligations can be expected to rise. Conversely, when interest rates rise, the value of a REIT's investment in fixed rate obligations can be expected to decline. For adjustable rate mortgage loans, interest rates are reset periodically to reflect changes in market interest rates. Therefore, yields on a REIT's investments in such loans will gradually align themselves to reflect changes in market, causing the value of such investments to fluctuate less dramatically in response to interest rate fluctuations than would investments in fixed rate obligations. However, income generated from adjustable rate mortgage loans may be more volatile in response to interest rate fluctuations than would fixed rate obligations. Consequently, the value of a REIT held by the Fund may increase or decrease which in turn, affects the value of the Fund.

Investors should note that the Fund may also invest in "special purpose" REITs which focus their investments on specific real property sectors such as hotels, nursing homes or warehouses. "Special purpose" REITs are subject to the risks associated with adverse developments in these sectors. A portfolio of real properties focusing on one single industry sector may be subject to losses that are more severe than other REITs with a more diversified portfolio. Also, potential changes to rules and regulations governing a particular industry sector including but not limited to environmental rules and regulations and the permitted uses of the underlying properties may have an adverse impact on the performance of the relevant "special purpose" REITs.

The underlying REITs in which the Fund may invest may not necessarily be authorised by the SFC and their distribution or payout policies are not representative of the distribution policy of the Fund.

(iii) Risks associated with debt securities – the Fund's investments in debt securities are subject to the following risks:

- Interest rates risk – Interest rates in the countries in which the Fund's assets will be invested may be subject to fluctuations. Any such fluctuations may have a direct effect on the income received by the Fund and its capital value. Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. The prices of bonds generally increase when interest rates decline and decrease when interest rates rise. Longer term bonds are usually more sensitive to interest rate changes. Given the historically low interest rate environment, risks associated with rising rates are heightened.

- Credit risk – If the issuer of any of the fixed interest securities in which the Fund's assets are invested defaults, the performance of the Fund will be negatively affected and the Fund could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the Fund. Decline in credit quality of the issuer may adversely affect the valuation of the relevant bonds and the Fund. The credit ratings assigned by credit rating agencies are subject to limitations and do not guarantee the creditworthiness of the security

and/or the issuer at all times. Furthermore, most emerging market fixed interest securities are not given a rating by internationally recognised credit rating agencies and subject to the "Emerging market risk" set out in the section entitled "RISKS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

- Below investment grade/lower rated or unrated investment risk – The Fund may invest in bonds and other debt securities which are unrated or rated below investment grade by international accredited rating agencies. Accordingly, such investment will be accompanied by a higher degree of credit and liquidity risk than is present with investment in higher rated securities. During economic downturns such bonds typically fall more in value than investment grade bonds as such are often subject to a higher risk of issuer default. The net asset value of the Fund may decline or be negatively affected if there is a default of any of the bonds with credit rating of below investment grade that the Fund invests in or if interest rates change.

- Investment grade bond risk – Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review such assigned ratings and bonds may therefore be downgraded in rating if economic circumstances (e.g. subject to market or other conditions) impact the relevant bond issues. Downgrading of the bonds may adversely affect the value of the relevant bonds and therefore the performance of the Fund. The Fund may or may not be able to dispose of the bonds that are downgraded. Also, the Fund may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.

- Valuation risk – Valuation of the Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund.

(iv) Mortgage-backed securities – The Fund may invest in any type of residential or commercial mortgage-backed securities, which are securities that represent ownership interests primarily in "pools" of mortgage loans and mortgage-related assets, and in derivative instruments based on such securities. It should be noted that new types of mortgage-backed securities are developed and marketed from time to time and that, consistent with its investment limitations, the Fund may invest in those new types of mortgage-backed securities that the Manager, Investment Manager or Sub-Manager believes may assist it in achieving the Fund's investment objective(s). The following describes certain risks associated with investing in mortgage-backed securities:

(A) Prepayment risk: The mortgage loans underlying a mortgage-backed security generally may be prepaid at any time by the related borrowers. The principal prepayments will be used to prepay the principal balance (and, in the case of interest only certificates, may reduce the notional amount) of one or more classes of the certificates backed by such mortgage loans. As a result, the yield to maturity and market value of most mortgage-backed securities are affected, to varying degrees, by the rate of prepayments of the underlying mortgage loans. Some of the mortgage-backed securities and derivatives that the Fund will invest in are particularly sensitive to prepayment rates and, as a result, their yields to maturity and market values are expected to be highly volatile.

(B) Interest rate risk: Like other fixed income securities, the value of certain fixed-rate mortgage-backed securities will vary inversely with the level of interest rates. However, because mortgage prepayments tend to increase when interest rates decrease, fixed-rate mortgage-backed securities may benefit less from a reduction in interest rates than bonds of a comparable maturity. In addition, rising interest rates tend to have a slowing effect on mortgage prepayments, thereby lengthening the weighted average lives of certain types of mortgage-backed securities and making such securities more sensitive to a rise in interest rates. Given the historically low interest rate environment, risks associated with rising rates are heightened.

(C) Credit risk: Credit risk is an important issue with mortgage-backed securities because of the significant credit risks inherent in the underlying collateral and because issuers may be private entities. The structure of a mortgage-backed security and the terms of the investors' interest in the collateral can vary widely depending on the type of collateral, the desires of investors and the use of credit enhancements. Although the basic elements of many mortgage-backed securities are similar, individual transactions can differ markedly in both structure and execution. Important determinants of the risk associated with issuing or holding the securities include the process by which principal and interest payments are allocated and distributed to investors, how credit loss affects the issuing vehicle and the return to investors in such mortgage-backed security, under what terms (including maturity of the mortgage-backed security) any remaining balance in the accounts may revert to the issuing entity and the extent to which the entity that is the actual source of the collateral assets is obligated to provide support to the issuing vehicle or to the investors in such mortgage-backed security. As a result, investments in mortgage-backed securities have a potential risk of loss.

(D) Mortgage rate risks: The mortgage pool backing any mortgage-backed security that the Fund invests in may include adjustable rate loans, interest-only loans, balloon payment loans, non-performing or re-performing loans, unsecured or under-secured loans, negatively amortizing loans, second or more junior lien loans, convertible or modifiable loans, and loans subject to predatory lending laws. Each such category of loans presents risks to investors in the related securities.

(E) Rating considerations: The Fund may invest in mortgage-backed securities that have below investment-grade ratings, or even no ratings at all. The default risk on such securities is high, and the return on such securities is expected to be highly volatile. In addition, ratings on mortgage-backed securities do not address prepayment risks, and in some cases do not address the timing of certain payments. Ratings are sometimes based solely on the claims paying ability of an insurer. If such insurer is downgraded, the mortgage-backed securities may also be downgraded.

(F) Subordination: A portion of the Fund's investments may consist of mortgage-backed securities that are subordinate in right of payment and rank junior to other securities that are secured by or represent an ownership interest in the same pool of assets. In addition, many of the transactions have structural features that divert payments of interest and/or principal to more senior classes when the delinquency or loss experience of the pool exceeds certain levels. As a result, such securities have a higher risk of loss as a result of delinquencies or losses on the underlying assets.

(v) Mortgage pass-through certificates – Mortgage pass-through securities represent participation interests in pools of residential mortgage loans originated by U.S. governmental or private lenders and guaranteed, to the extent provided in such securities, by the U.S. government or one of its agencies or instrumentalities. Any guarantee of such securities runs only to principal and interest payments on the securities and not to the market value of such securities or the principal and interest payments on the underlying mortgages. Such securities, which are ownership interests in the underlying mortgage loans, differ from conventional debt securities, which provide for periodic payment of interest in fixed amounts (usually semi-annually) and principal payments at maturity or on specified call dates. Mortgage pass-through securities provide for monthly payments that are a "pass-through" of the monthly interest and principal payments (including any prepayments) made by the individual borrowers on the pooled mortgage loans, net of any fees paid to the guarantor of such securities and the servicer of the underlying mortgage loans. Guaranteed mortgage pass-through securities are often sold on a to-be-acquired basis. Such securities are typically sold one to three months in advance of issuance, prior to the identification of the underlying pools of mortgage securities but with the interest payment provisions fixed in advance. The underlying pools of mortgage securities are identified shortly before settlement and must meet certain parameters. The guaranteed mortgage pass-through securities in which the Fund may invest may include those issued or guaranteed by the Government National Mortgage Association ("Ginnie Mae", and such securities, "Ginnie Mae Certificates"), Fannie Mae ("Fannie Mae Certificates") and Freddie Mac ("Freddie Mac Certificates"). If Ginnie Mae, Fannie Mae or Freddie Mac fails to perform under their respective guarantee, delinquencies and defaults on the related mortgage loans will directly affect the return on investments in the Fund. If they are unable to perform under the related guarantee, cash available for payments will be based only on borrower payments and other recoveries on the related mortgage loans. If that happens, delinquencies and defaults on the related mortgage loans will directly affect the amounts that are available for payments on the related securities.

(vi) Collateralised mortgage obligations – CMOs are debt obligations collateralised by mortgage loans or mortgage pass-through securities. Typically, CMOs are collateralised by Ginnie Mae Certificates, Fannie Mae Certificates or Freddie Mac Certificates, but also may be collateralised by whole loans or private pass-throughs (such collateral collectively hereinafter referred to as "Mortgage Assets"). Multiclass pass-through securities are interests in a trust composed of Mortgage Assets. Unless the context indicates otherwise, all references herein to CMOs include multiclass pass-through securities. Payments of principal and of interest on the Mortgage Assets, and any reinvestment income thereon, provide the funds to pay debt service on the CMOs or make scheduled distributions on the multiclass pass-through securities. CMOs may be issued by agencies or instrumentalities of the U.S. government, or by private originators of, or investors in, mortgage loans, including savings and loan associations, mortgage banks, commercial banks, investment banks and special purpose subsidiaries of the foregoing. As market conditions change, and particularly during periods of rapid or unanticipated changes in market interest rates, the attractiveness of the CMO classes and the ability of the structure to provide the anticipated investment characteristics may be significantly reduced. Such changes can result in volatility in the market value, and in some instances reduced liquidity, of the CMO class.

(vii) Credit risk – A decline in the credit rating or perceived credit quality of a REIT's or a real estate company's debt can have a negative impact on the value of its shares or units. Such lower credit quality may lead to greater volatility in the price of a security held by the Fund and in units of the Fund. Lower credit quality also may affect liquidity and make it difficult for the Fund to sell a REIT or a real estate company's security.

(viii) Payment of distributions out of capital risk – Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realised and unrealised capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment. As a result, the capital that the Fund has available for investment in the future and capital growth may be reduced. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value of units. Also, a high distribution yield does not imply a positive or high return on the total investment.

(ix) Futures – The Fund may invest in futures. Futures transactions are executed and cleared through futures commission merchants ("FCM") who receive compensation for their services. The selection of an FCM is generally based on the overall quality of execution and other services, including research, provided by the FCM. Upon entering a futures contract, the Fund is required to deposit with the FCM or be credited by the FCM an amount of cash or cash equivalents equal to a percentage of the contract amount. Subsequent payments, debits or credits thereon are made or received by the Fund each day depending on the daily fluctuation in the value of the contract. Futures prices can be highly volatile. Because of the low margin deposits normally required in futures and options trading, an extremely high degree of leverage is typical of a futures trading account. As a result, a relatively small price movement in a futures contract may result in substantial losses to the investor. Like other leveraged investments, a futures transaction may result in losses in excess of the amount invested. Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in that contract can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. Futures prices have occasionally moved beyond the daily limits for several consecutive days with little or no trading. Over-the-counter instruments generally are not as liquid as instruments traded on recognised exchanges. This constraint could prevent the Fund from promptly liquidating unfavourable positions and subject it to substantial losses. In addition, the U.S. Commodity Futures Trading Commission and various exchanges impose speculative position limits on the number of positions that the Fund may indirectly hold or control in particular commodities.

(x) Real estate sector concentration risk – The Fund may concentrate its investments in the real estate sector. Companies in the real estate sector include REITs and other companies engaged in the ownership, construction, financing, management or sale of commercial, industrial or residential real estate or companies that invest in such real estate. This concentration increases the risk of loss to the Fund by increasing its exposure to economic, business, political or regulatory developments that may be adverse to the real estate sector of the economy.

(xi) Risks related to the Eurozone sovereign debt crisis – The Fund may invest substantially in the Eurozone. In light of the ongoing fiscal conditions and concerns on the sovereign debt risk of certain countries within the Eurozone (in particular, Portugal, Ireland, Italy, Greece and Spain), the Fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. The performance of the Fund may deteriorate significantly should there be any adverse credit events (e.g. downgrade of the sovereign credit rating, obligation default, etc) of any Eurozone country or exit of members from the Eurozone.

In view of the above, investment in the Fund should be regarded as long term in nature. The Fund is, therefore, only suitable for investors who can afford the risks involved.

CLASSES OF UNITS

Pursuant to the Trust Deed, the Manager may decide to issue separate classes (each a "Class") whose assets will be commonly invested but where a specific fee structure, currency or distribution policy may be applied. Each Class may have a different charging structure with the result that the net asset value attributable to each Class may differ.

Currently, the following Class is available:

Class	Class Currency
JPMorgan Global Property Income (div) - USD	US dollars
JPMorgan Global Property Income (mth) - HKD	HK dollars
JPMorgan Global Property Income (mth) - USD	US dollars
JPMorgan Global Property Income - Class C (mth) - USD	US dollars

The Manager also has the power under the Trust Deed to cease to offer any Class (either temporarily or permanently). The Manager shall be entitled to cancel all units of a particular Class then in issue if at any time the net asset value of that Class falls below US$5 million (or its equivalent in another currency) or at any time with the sanction of an Extraordinary Resolution. In such event, the Manager shall issue to the affected unitholders units of an equivalent value of such other existing Class (if any) as the Manager may in its absolute discretion determine. Prior to such cancellation and issue of units, the Manager shall give the Trustee and all affected unitholders one month's notice (or such other notice period as required by the SFC) of its determination to cancel that Class and the new Class of units to be issued in substitution therefor (if any).

DISTRIBUTION POLICY

The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval (if applicable) and one month's prior notice to the relevant unitholders.

Class with the suffix "(div)"

At least 85 per cent. of the income of JPMorgan Global Property Income (div) - USD in respect of each accounting period, after charging the expenses applicable to the Class, will be distributed to unitholders of the Class. The transferee of a unit will be entitled to a distribution in respect of such unit if the Registrar has received a valid instrument of transfer (duly stamped if required) in respect of the unit by 3:30 p.m. (Hong Kong time) on the last cum distribution dealing date. The subscriber of a unit shall be entitled to a distribution in respect of such unit if the application for the unit is received by the Manager by 5:00 p.m. (Hong Kong time) on the last cum distribution dealing date.

It is the intention of the Manager to make distributions on a quarterly basis for the three-month periods to the end of March, June, September and December in each year or/and such other time as the Manager may, with the prior approval of the Trustee, notify the unitholders. The Manager expects to be able to pay distributions from income generated by JPMorgan Global Property Income (div) - USD from its investment but in the event that such income is insufficient to pay distributions as it declares, the Manager may in its discretion determine that such distributions may be paid from capital. However, the payment of distributions may not be equivalent to the income generated from the underlying investments of the Class. There is no guarantee, assurance and or certainty that distributions will be paid every quarter. Please also refer to the risk factor entitled "Payment of distributions out of capital risk".

Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[#].

Classes with the suffix "(mth)"

It is the intention of the Manager to have at least 85 per cent. of the income attributable to the following Classes respectively in respect of each accounting period, after charging the expenses attributable to these Classes respectively, to be distributed to unitholders of these Classes respectively:

Class
JPMorgan Global Property Income (mth) - HKD
JPMorgan Global Property Income (mth) - USD
JPMorgan Global Property Income - Class C (mth) - USD

It is the intention of the Manager to make distributions on a monthly basis or/and such other time as the Manager may, with the prior approval of the Trustee, notify to unitholders. The Manager expects to be able to pay distributions from its income generated by the Fund from its investment, but in the event that such income is insufficient to pay distributions as it declares, the Manager may in its discretion determine that such distributions may be paid from capital. However, the payment of distributions may not be equivalent to the income generated from the underlying investments of the Class. There is no guarantee, assurance and or certainty that distributions will be paid every month. Please also refer to the risk factor entitled "Payment of distributions out of capital risk".

Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[#].

The transferee of a unit will be entitled to a distribution in respect of such unit if the Registrar has received a valid instrument of transfer (duly stamped if required) in respect of the unit by 3:30 p.m. (Hong Kong time) on the last cum distribution dealing date. The subscriber of a unit shall be entitled to a distribution in respect of such unit if the application for the unit is received by the Manager by 5:00 p.m. (Hong Kong time) on the last cum distribution dealing date.

[#] The website has not been reviewed by the SFC.

Reinvestment of Distributions

It is the Manager's current policy to reinvest automatically any distributions in the subscription of further units of the corresponding Class of units of the Fund, unless unitholders notify the Manager otherwise in writing and the amount of the relevant distribution equals to or exceeds US$250 (or its equivalent in another currency). Such further units will be issued on the date of distribution, or if that is not a dealing day, on the next following dealing day. No initial charge will be made on the issue of such further units. In the event that a unitholder redeems or switches its entire holding of the relevant Class before the actual payment date of any distributions, the Manager will redeem the reinvested units on the actual payment date and pay the redemption proceeds to the unitholder in cash if the reinvested units do not meet the relevant minimum holding requirement.

Payment of Distributions by cheque

For unitholders who have notified the Manager in writing to receive payment of distributions instead of having the distributions reinvested automatically in the subscription of further units, payment will be made by cheque in the offering currency of the relevant Class and sent, at the risk of the persons entitled thereto, to such persons at the address (or first address in the case of any joint holding) shown in the register of unitholders or as they may direct. Any distribution which is not claimed for six years will be forfeited and becomes part of the assets of the relevant Class (and in case such relevant Class has been terminated, the Fund)."

BASES OF VALUATIONS

The method of establishing the net asset value of each Class is set out in the Trust Deed. The net asset value per unit of each Class is calculated by dividing the value of the assets of that Class, less the liabilities of that Class, by the total number of units in issue of that Class as at 5:00p.m. (Hong Kong time) on the immediately preceding dealing day or such other time agreed between the Manager and the Trustee. Any rounding adjustment arising in respect thereof will be retained by the relevant Class. In general, quoted investments are valued at their closing price and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Manager or a professional person engaged for this purpose. Interest and other income and liabilities are, where practicable, accrued from day to day. Such valuations will be expressed in the offering currency of the relevant Class. The Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

Market volatility may result in a discrepancy between the latest available net asset value for each Class and the fair value of the assets of the relevant Class. Certain investors might exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on redemption, other unitholders may suffer a dilution in the value of their investment. As a safeguard against such exploitation, the Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the net asset value of the relevant Class or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders. It should be noted that the bases of valuations adopted by the relevant Class and the Fund may not be the same as the accounting principles generally accepted in Hong Kong. Further details are set out in the section entitled "Reports and Accounts" below.

DEALING

For details of the dealing procedure of the Fund, please refer to section entitled "DEALING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SUBSCRIPTIONS

The Fund is denominated in US dollars.

The section entitled "SUBSCRIPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

Initial Issue Price

The first issue of units of the existing Classes were made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Global Property Income (div) - USD	US$10.00
JPMorgan Global Property Income (mth) - HKD	HK$10.00
JPMorgan Global Property Income (mth) - USD	US$10.00

The first issue of units of the following Class will be made at the price below, excluding the initial charge referred to above:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Global Property Income - Class C (mth) - USD	US$10.00

REDEMPTIONS

For details of redemptions of the Fund, please refer to the section entitled "REDEMPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SWITCHING

For details on how to switch between Classes of units within the same Fund or between the Fund and other funds managed by the Manager or in respect of which the Manager acts as Hong Kong representative, please refer to the section entitled "SWITCHING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

FEES, CHARGES AND LIABILITIES

Initial and Redemption Charges

The Manager may make an initial charge for each Class (normally up to 5 per cent. of the net asset value per unit of the relevant Class) from the gross subscription amount on the issue of units where applicable and receive a redemption charge for each Class (normally up to 0.5 per cent. of the net asset value per unit of the relevant Class) from the redemption monies on the cancellation or redemption of units where applicable. However, the Manager does not currently levy any redemption charge.

The Manager reimburses approved intermediaries, which include banks, brokers, recognised securities dealers and other investment advisers (collectively, "Distributors"), a proportion of the commissions, fees, charges or other benefits received by it on the value of the relevant business introduced to the Fund.

Management Fee

The Manager is entitled to receive a management fee of up to 2.5 per cent. per annum of the net asset value of each Class. However, the Manager currently receives a fee of 1.5 per cent. per annum of the net asset value of each Class other than Class C. For Class C, the Manager currently receives a fee of 0.75 per cent. per annum of the net asset value of each Class. The Manager may only increase the level of its fee (which may not exceed 2.5 per cent. per annum of the net asset value of each Class) by giving to the Trustee and unitholders not less than one month's notice of the increased level of management fee. The management fee shall accrue daily based on the net asset value of that Class on each dealing day and shall be payable monthly in arrears. If the assets of the Fund include interests in any unit trust or other collective investment scheme managed by the Manager or its Connected Persons, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the relevant Class' interest in such unit trust or scheme. Where the Fund invests in any underlying scheme(s) managed by the Manager, the Investment Manager and/or the Sub-Manager or any of their Connected Persons, all initial charges and redemption charges on the underlying scheme(s) shall be waived. The Manager, the Investment Manager and/or the Sub-Manager of the Fund may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company.

The fees of the Investment Manager will be borne by the Manager. The fees of the Sub-Manager will be borne by the Investment Manager.

Trustee Fee

The Trustee is entitled to receive a trustee fee of 0.2 per cent. per annum of the net asset value of the Fund. However, the Trustee currently receives a fee at the following rates:-

	Rate (per annum)
On the first US$40,000,000	0.06%
On the next US$30,000,000	0.04%
On the balance over US$70,000,000	0.025%

The Trustee may only increase the level of its fee (which may not exceed 0.2 per cent. per annum) with the agreement of the Manager and by giving to the unitholders not less than one month's notice of the increased level of trustee fee. The trustee fee shall accrue daily based on the net asset value of the Fund on each dealing day and shall be payable monthly in arrears.

For details of the current fees and charges in respect of dealings made through any other channels from time to time specified by JPMorgan Funds (Asia) Limited, please consult JPMorgan Funds (Asia) Limited.

Fiscal Charges

For details of the fiscal charges policy of the Fund, please refer to the sub-section entitled "Fiscal Charges" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Other Liabilities

Save for the cost of establishing the Fund, details under the sub-section entitled "Other Liabilities" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

There are no unamortised establishment costs outstanding relating to this Fund.

CONFLICTS OF INTEREST

As a global banking firm, JPMorgan Chase & Co. ("JPMorgan") and its affiliates (including the Manager, Investment Manager and Sub-Manager) engage in a broad spectrum of activities, including financial, advisory, investment and other activities. While relationships and activities of JPMorgan and its affiliates should enable these entities to offer attractive opportunities and services to the Fund, such relationships and activities may also give rise to circumstances in which the interests of these entities and other affiliates of JPMorgan conflict with the interests of the Fund. Certain conflicts of interest are set out below. By acquiring units of the Fund, each unitholder will be deemed to have acknowledged the existence of such actual and potential conflicts of interest and to have waived, to the fullest extent permitted by applicable law, any claim with respect to the existence of any such conflict. In connection with any situation involving a potential conflict between the interests of the Fund and those of JPMorgan or any of its affiliates, including those described below, the Manager, the Investment Manager or Sub-Manager will determine whether it is prudent for it to act in any capacity with respect to the Fund and may consult with the Trustee. In addition, if required by applicable law, the Manager, the Investment Manager or Sub-Manager will obtain the consent of the Trustee prior to entering into such transactions. Trustee's approval will be binding on the Fund and its unitholders. All transactions carried out by or on behalf of the Fund will be carried out on an arm's length basis.

The officers and employees of the Manager, the Investment Manager and Sub-Manager will devote such time as such entities and JPMorgan, in their sole discretion, deem necessary to carry out the operations of the Fund effectively. Officers and employees of the Manager, the Investment Manager and Sub-Manager will also work on projects for other affiliates of JPMorgan and may spend a significant portion of their time on matters unrelated to the Fund. Conflicts of interest may arise in allocating management time, services or functions among the Manager, the Investment Manager or Sub-Manager and such other affiliates.

JPMorgan and its affiliates have, and continue to seek to develop, banking and other financial and advisory relationships with numerous U.S. and overseas companies and governments. JPMorgan and its affiliates also advise and represent potential buyers and sellers of businesses worldwide. In providing services to its clients, JPMorgan and its affiliates may recommend activities that would compete with or otherwise adversely affect the Fund or the Fund's investments. It should be recognised that such relationships may indirectly preclude the Fund from engaging in certain transactions and may constrain the Fund's investment flexibility.

The Manager, the Investment Manager and Sub-Manager and their affiliates may provide financial, consulting and other services to, and receive compensation from, an entity which is the issuer of a security held by the Fund. In addition, the Manager, the Investment Manager and Sub-Manager and their affiliates may purchase property (including securities) from, sell property (including securities) or lend funds to, or otherwise deal with, any entity which is the issuer of a security held by the Fund. Any fees or other compensation received by the Manager, the Investment Manager, Sub-Manager or their affiliates in connection with such activities will not be shared with the Fund or any unitholder.

To the extent permitted by law, the Manager, the Investment Manager and Sub-Manager may allocate a portion of the Fund's brokerage transactions to their affiliates. Such affiliates may receive compensation for providing any such brokerage services.

JPMorgan and its affiliates will be authorised to engage in transactions in which JPMorgan or its affiliates acts as a broker or adviser for both the unitholders or the Fund and for another person on the other side of the transaction. JPMorgan or its affiliates may receive commissions or other compensation from, and have a potentially conflicting division of loyalties and responsibilities regarding, the parties to such transaction.

JPMorgan and its affiliates will be authorised to engage in principal transactions with the Fund (with the consent of the Trustee), including purchases and sales between the Fund and JPMorgan affiliates. The Fund may face conflicts of interest in connection with such principal transactions, including with respect to the consideration offered by, and the obligations of, JPMorgan affiliates.

The Manager, the Investment Manager, Sub-Manager, JPMorgan and their respective employees, officers, directors, principals or members are not prohibited from buying or selling securities or commodity interests for their own account. The records of any such trades by the Manager, the Investment Manager, Sub-Manager, JPMorgan and their respective employees, officers, directors, principals or members will not be open to inspection by unitholders. With respect to such personal or proprietary accounts, the Manager, the Investment Manager, Sub-Manager, JPMorgan and their respective employees, officers, directors, principals or members might take investment positions different from, or contrary to, those taken by the Fund; however, they are not permitted to trade ahead of the Fund.

As an internal policy matter, the Manager, the Investment Manager and Sub-Manager may from time to time maintain certain overall investment limitations on the securities positions the firm will take on behalf of its various clients due to, among other things, liquidity concerns and regulatory restrictions. Similarly, the Manager, the Investment Manager and Sub-Manager may be under a contractual or other legal obligation to one or more existing clients that would affect its ability to make a given investment for the Fund or to pursue a particular course of action. It should be recognised that such policies may preclude the Fund from purchasing particular securities, even if such securities would otherwise meet the Fund's objectives.

The Manager, the Investment Manager, Sub-Manager and JPMorgan are subject to certain conflicts of interest in their dealings with the Fund and will endeavour to exercise their discretion in a manner that is fair and equitable to all interested persons. For example, investments deemed appropriate for the Fund by the Manager, the Investment Manager or Sub-Manager may also be deemed appropriate by the Manager, the Investment Manager, Sub-Manager or JPMorgan and its affiliates for other accounts managed or advised by the Manager, the Investment Manager, Sub-Manager or JPMorgan and its affiliates, so that the same security may be purchased at or about the same time for both the Fund and the other accounts. In these circumstances, the Manager, the Investment Manager and Sub-Manager may determine that orders for the purchase of the same security for the Fund and one or more other accounts should be combined, in which event the transactions may be allocated as nearly as practicable in proportion to the amounts desired to be purchased for each account, such that each account will share the benefits (or adverse effects, if any) of such an aggregation. Conversely, dispositions of securities of issuers whose securities are part of the Fund's portfolio may be deemed appropriate for other accounts managed or advised by the Manager, the Investment Manager, Sub-Manager or JPMorgan and its affiliates but may be deemed inconsistent with the Fund's investment objective, so that a security is sold by the Fund but is retained by the other accounts. Neither the Manager, the Investment Manager, Sub-Manager nor JPMorgan and its affiliates will be prohibited from making such dispositions with respect to such other account(s).

Additionally, the Manager, the Investment Manager, Sub-Manager and their affiliates are engaged in the business of investing in securities and financial instruments for their own account and for the account of others (including issuers of securities held by the Fund). The Manager, the Investment Manager or Sub-Manager may allocate investment opportunities to such affiliates or other clients in addition to, or in lieu of, the Fund. The Manager, the Investment Manager and Sub-Manager will be free to serve and may be compensated by other persons (including issuers of securities held by the Fund) and will only be required to devote such time to the affairs of the Fund as the Manager, the Investment Manager or Sub-Manager deems necessary. The Manager, the Investment Manager or Sub-Manager may also purchase property from, or sell property to, issuers of securities held by the Fund.

From time to time, JPMorgan, the Manager, the Investment Manager, Sub-Manager or any of their affiliates may come into possession of material, non-public information concerning an investment held by the Fund. The possession of such information may limit the ability of the Manager, the Investment Manager or Sub-Manager, as affiliates of JPMorgan, to sell or otherwise dispose of the investment on behalf of the Fund until such information becomes publicly available.

The Manager, Investment Manager and/or the Sub-Manager may provide services to, or effect transactions with or for, the Fund which may involve an actual or potential conflict of interest with their duties to the Fund. The Manager, Investment Manager and/or the Sub-Manager will, however, have regard in such event to its obligations to act in the best interests of unitholders when such conflicts of interest arise and will seek to resolve such conflicts fairly.

The Manager, the Investment Manager and/or the Sub-Manager and any of their Connected Persons may enter into soft commission arrangements with brokers under which certain goods and services are received, provided such goods and services are of demonstrable benefit to unitholders and fall within the safe harbour provided in section 28(e) of the U.S. Securities Exchange Act of 1934, as amended. Cash payment will not be made for these services but instead those persons may transact an agreed amount of business with the brokers on behalf of the Fund. Commission will be paid by the Fund for these transactions, provided that (i) execution of the transactions are consistent with best execution standards and the relevant brokerage rates are not in excess of

customary institutional full-service rates, (ii) periodic disclosure is made in the annual financial report of the Fund in the form of a statement describing the soft dollar policies and practices of the Manager, the Investment Manager and/or the Sub-Manager, including a description of goods and services received by them and (iii) the availability of soft dollar arrangements is not the sole or primary purpose to perform or arrange transaction with such broker.

No cash or other rebates from brokers, dealers or market makers may be retained by the Manager, the Investment Manager and/or the Sub-Manager or any of their Connected Persons in consideration of directing transactions on behalf of the Fund to such brokers, dealers or market makers.

TAXATION

The following sub-sections under Section D – TAX NOTES of the Consolidated Explanatory Memoranda apply to the Fund:

(i) "(i) General";

(ii) the sub-paragraph entitled "Hong Kong" under the sub-section entitled "(ii) Taxation of Funds in their Country/Region of Formation";

(iii) "(iii) Taxation of Unitholders"; and

(iv) the sub-paragraph entitled "United States of America" under the sub-section entitled "(iv) Investment Markets".

REPORTS AND ACCOUNTS

For details of the reports and accounts of the Fund, please refer to the section entitled "REPORTS AND ACCOUNTS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

GENERAL

The general provisions under the section entitled "GENERAL" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

MANAGEMENT AND ADMINISTRATION DIRECTORY

Manager and Service Provider

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Trustee

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Directors of JPMorgan Funds (Asia) Limited

Chan, Tsun Kay, Edwin
Ebrahim, Ayaz
Leung, Kit Yee, Elka
Roberts, Ioan William
Watkins, Daniel James

Registrar

HSBC Trustee (Cayman) Limited
PO Box 484
HSBC House
68 West Bay Road
Grand Cayman KY1-1106
Cayman Islands

Investment Manager

JPMorgan Asset Management (Asia Pacific) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Auditors

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
1 Des Voeux Road Central
Hong Kong

Sub-Manager

J.P. Morgan Investment Management Inc.
383 Madison Avenue
New York, NY10179
United States of America

Additional information is available from: -

JPMorgan Funds (Asia) Limited
GPO Box 11448
Hong Kong

Telephone: (852) 2265 1188
Facsimile: (852) 2868 5013

JPMorgan India Smaller Companies Fund

INTRODUCTION

JPMorgan India Smaller Companies Fund ("Fund") is a unit trust constituted by a Trust Deed dated 13 April 2006, as amended from time to time ("Trust Deed") governed by the laws of Mauritius. The Fund has been authorised as a collective investment scheme in the form of a unit trust by the Securities and Futures Commission ("SFC") under Section 104 of the *Securities and Futures Ordinance* (Cap. 571 of the Laws of Hong Kong) ("SFO") and the Code on Unit Trusts and Mutual Funds ("SFC Code"). SFC authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Fund's portfolio is subject to market fluctuations and exchange rate fluctuations and to the risks inherent in all investments. Therefore, the value of the Fund and the level of distributions (if any) may go down as well as up.

FUND PARTIES

The Fund is managed by JPMorgan Funds (Asia) Limited ("Manager"), a company incorporated with limited liability under the laws of Hong Kong.

Day-to-day investment management of the Fund has been delegated to JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited) ("Investment Manager"), a company incorporated with limited liability in Hong Kong.

HSBC Institutional Trust Services (Mauritius) Limited acting as trustee of the Fund ("Trustee"), is incorporated with limited liability in Mauritius. The Trustee is an indirect wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. Under the Trust Deed, the Trustee is responsible for the safe-keeping of the Fund's investments. The HSBC Group has adopted a policy of compliance with the sanctions issued by The Office of Foreign Assets Control of the US Department of the Treasury.

Please refer to the section entitled "FUND PARTIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds in relation to the liabilities of each of the parties described herein.

The Trustee also acts as the registrar of the Fund ("Registrar") and is responsible for keeping the register of unitholders.

INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS

Investment Objective and Policy

The investment objective of the Fund is to provide investors with long-term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in equity securities of small to medium-sized companies in India. Small to medium-sized companies are defined as companies with market capitalisation that are equal to the bottom quartile of shares listed on the Indian stock exchanges.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector.

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.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

The investment objective, policy and investment restrictions and guidelines of the Fund may, subject to the approval of the Trustee and/or the SFC (as applicable), vary from time to time when the Manager considers appropriate in the circumstances.

Investment Restrictions and Guidelines

The Fund may invest in anything into which a person may invest, subject to the investment restrictions as stipulated in the section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

In addition, the value of the Fund's holding of securities of small to medium-sized companies which are based in or operate principally in India shall not be less than 70 per cent. of its total net asset value in securities and other investments.

Borrowing and Leverage

For information about the borrowing and leverage of the Fund, please refer to the section entitled "Borrowing and Leverage" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Securities Financing Transactions Policy

For details of the securities financing transactions policy of the Fund, please refer to the section entitled "Securities Financing Transactions Policies" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

RISKS

The performance of the Fund will be affected by a number of risk factors, including the risk factors as set out in the section entitled "RISKS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

In addition, the following risk factors are applicable to the Fund:

(i) Small and medium-sized companies – The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.

(ii) Regulatory risk – The Fund is a Foreign Institutional Investor ("Indian FII") registered with the Securities and Exchange Board of India ("SEBI") under the SEBI (Foreign Institutional Investors) Regulations, 1995 ("Indian FII Regulations"). Subject to the Indian FII Regulations and the Foreign Exchange Management (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2000 ("Indian FEMA Regulations"), a registered Indian FII may buy and sell equity shares and debentures of Indian companies through stock exchanges in India at the current market price subject to certain individual and collective statutory limits. The Reserve Bank of India ("RBI") acts as the regulatory body to monitor the statutory limits on investments by Indian FIIs in an Indian company. If the total holdings of the Indian FIIs reach such statutory limits, the RBI would require the Indian FII and the relevant Indian company to seek prior approval from the RBI for any purchase, which approval may not be forthcoming. In addition, any change to the Indian FEMA Regulations and the Indian FII Regulations may limit or adversely impact the ability of the Fund to invest in India.

(iii) Tax risk – The Fund expects that under current law and practice it will be treated as a tax resident of Mauritius for the purposes of the India-Mauritius tax treaty and that it will therefore not be liable to Indian tax in respect of capital gains realised on its Indian listed securities. The Governments of India and Mauritius signed a protocol amending the India-Mauritius tax treaty on the 10 May 2016 altering the tax treatment of capital gains, while at the same time seeking to preserve the position of existing investments. The Government of India, the Ministry of Finance and the Central Board of Direct Taxes announced that India shall have the right to tax capital gains arising from alienation of shares acquired on or after 1 April 2017 in a company resident in India effective as from financial year 2017-18. 1 April 2017 to 31 March 2019 will be a transitional period where the tax rate in India will be limited to 50% of the domestic applicable tax on capital gains tax if the disposal of the assets occurs at latest on 31 March 2019, subject to an anti-avoidance provision to be introduced by the protocol. Nevertheless, there can be no assurance that any future changes to the India-Mauritius tax treaty or future interpretations of the India-Mauritius tax treaty will not adversely affect the tax position of the Fund's investments in India (see section entitled "TAXATION" below for a more detailed discussion on the current tax position of the Fund).

In view of the above, investment in the Fund should be regarded as long term in nature. The Fund is, therefore, only suitable for investors who can afford the risks involved.

CLASSES OF UNITS

Pursuant to the Trust Deed, the Manager may decide to issue separate classes (each a "Class") whose assets will be commonly invested but where a specific fee structure, currency or distribution policy may be applied. Each Class may have a different charging structure with the result that the net asset value attributable to each Class may differ.

Currently, the following Class is available:

Class	Class Currency
JPMorgan India Smaller Companies (acc) - USD	US dollars

The Manager also has the power under the Trust Deed to cease to offer any Class (either temporarily or permanently). The Manager shall be entitled to cancel all units of a particular Class then in issue if at any time the net asset value of that Class falls below US$5 million (or its equivalent in another currency) or at any time with the sanction of an Extraordinary Resolution. In such event, the Manager shall issue to the affected unitholders units of an equivalent value of such other existing Class (if any) as the Manager may in its absolute discretion determine. Prior to such cancellation and issue of units, the Manager shall give the Trustee and all affected unitholders one month's notice (or such other notice period as required by the SFC) of its determination to cancel that Class and the new Class of units to be issued in substitution therefor (if any).

DISTRIBUTION POLICY

All income will be accumulated and reinvested within the Fund. Although the Trust Deed contains provisions under which the Manager has the discretion to determine the amount to be distributed to unitholders, it is not the current intention of the Manager that such distribution will be made.

BASES OF VALUATIONS

On each dealing day, the Manager shall calculate the net asset value of each Class as at the close of business in the relevant markets where such assets are primarily traded on such dealing day in accordance with the method of establishing the net asset value of each Class as set out in the Trust Deed. The net asset value per unit of each Class is calculated by dividing the value of the assets of that Class less the liabilities of that Class, by the total number of units of that Class in issue as at 5:00 p.m. (Hong Kong time) on the immediately preceding dealing day or such other time agreed between the Manager and the Trustee. Any rounding adjustment arising in respect thereof will be retained by the relevant Class. In general, quoted investments are valued at their closing price and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Manager or a professional person engaged for this purpose. Interest and other income and liabilities are, where practicable, accrued from day to day. Such valuations will be expressed in the offering currency of the relevant Class. The Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

Market volatility may result in a discrepancy between the latest available net asset value for each Class and the fair value of the assets of the relevant Class. Certain investors might exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on redemption, other unitholders may suffer a dilution in the value of their investment. As a safeguard against such exploitation, the Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the net asset value of the relevant Class or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders. It should be noted that the bases of valuations adopted by the relevant Class and the Fund may not be the same as the accounting principles generally accepted in Hong Kong. Further details are set out in the section entitled "Reports and Accounts" below.

DEALING

For details of the dealing procedure of the Fund, please refer to the section entitled "DEALING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SUBSCRIPTIONS

The Fund is denominated in US dollars.

The section entitled "SUBSCRIPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

Initial Issue Price

The first issue of units of JPMorgan India Smaller Companies (acc) - USD was made at a price of US$10.00 per unit, excluding the initial charge.

REDEMPTIONS

Save for the procedure on payment of redemption monies set out in the sub-section entitled "Procedure for Redemption" below, the section entitled "REDEMPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

Procedure for Redemption

The procedure on payment of redemption monies which applies to this Fund is set out below.

The amount due on the redemption of units will normally be paid within seven business days and in any event not later than one calendar month after the date of actual receipt by the Manager of a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require. Failure to provide such information may delay payment of redemption proceeds. Payment will normally be made by telegraphic transfer where the unitholder has provided payment details for this purpose. Unitholders may be liable for any bank charges on payment by telegraphic transfer. Where the unitholder has not provided bank payment details or where the redemption amount is less than US$1,000 or its equivalent in another currency, redemption proceeds will normally be paid by cheque, posted at the risk of the unitholder. No third party payments will be made.

SWITCHING

For details on how to switch between Classes of units within the same Fund or between the Fund and other funds managed by the Manager or in respect of which the Manager acts as Hong Kong representative, please refer to the section entitled "SWITCHING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

FEES, CHARGES AND LIABILITIES

Initial and Redemption Charges

The Manager may make an initial charge for each Class (normally up to 5 per cent. of the net asset value per unit of the relevant Class) from the gross subscription amount on the issue of units where applicable and a redemption charge for each Class (normally up to 0.5 per cent. of the net asset value per unit of the relevant Class) from the redemption monies on the cancellation or redemption of units where applicable. However, the Manager does not currently levy any redemption charge.

The Manager reimburses approved intermediaries, which include banks, brokers, recognised securities dealers and other investment advisers (collectively, "Distributors"), a proportion of the commissions, fees, charges or other benefits received by it on the value of the relevant business introduced to the Fund.

Management Fee

The Manager is entitled to receive a management fee of up to 2.5 per cent. per annum of the net asset value of each Class. However, the Manager currently receives a fee of 1.5 per cent. per annum of the net asset value of each Class and may only increase the level of its fee (which may not exceed 2.5 per cent. per annum of the net asset value of each Class) by giving to the Trustee and unitholders not less than one month's notice of the increased level of management fee. The management fee shall accrue daily based on the net asset value of that Class on each dealing day and shall be payable monthly in arrears. If the assets of the Fund include interests in any unit trust or other collective investment scheme managed by the Manager or its Connected Persons, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the relevant Class' interest in such unit trust or scheme. Where the Fund invests in any underlying scheme(s) managed by the Manager and/or the Investment Manager or any of their Connected Persons, all initial charges and redemption charges on the underlying scheme(s) shall be waived. The Manager and/or the Investment Manager of the Fund may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company.

The fees of the Investment Manager will be borne by the Manager.

Trustee Fee

The Trustee is entitled to receive a trustee fee of 0.2 per cent. per annum of the net asset value of the Fund which will be calculated before deduction of any management fee and trustee fee accruing to or on the relevant dealing day. However, the Trustee currently receives a trustee fee at the following rates of the Fund's net asset value which is calculated before deduction of any management fee and trustee fee accruing to or on the relevant dealing day:-

	Rate (per annum)
On the first US$40,000,000	0.06%
On the next US$30,000,000	0.04%
On the balance over US$70,000,000	0.025%

The Trustee may only increase the level of its fee (which may not exceed 0.2 per cent. per annum) with the agreement of the Manager and by giving to the unitholders not less than one month's notice of the increased level of trustee fee. The trustee fee shall accrue daily based on the net asset value of the Fund on each dealing day and shall be payable monthly in arrears. For this purpose, the net asset value shall be calculated before deduction of any management fee and trustee fee accruing to or on the relevant dealing day.

For details of the current fees and charges in respect of dealings made through any other channels from time to time specified by JPMorgan Funds (Asia) Limited, please consult JPMorgan Funds (Asia) Limited.

Fiscal Charges

For details of the fiscal charges policy of the Fund, please refer to the sub-section entitled "Fiscal Charges" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Other Liabilities

Save for the cost of establishing the Fund, details under the sub-section entitled "Other Liabilities" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

There are no unamortised establishment costs outstanding relating to this Fund.

CONFLICTS OF INTEREST

For details of the Manager's current policy on conflicts of interest, please refer to the section entitled "CONFLICTS OF INTEREST" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

TAXATION

The following sub-sections under Section D – TAX NOTES of the Consolidated Explanatory Memoranda apply to the Fund:

(i) "(i) General";

(ii) the sub-paragraphs entitled "Mauritius" and "Hong Kong" under the sub-section entitled "(ii) Taxation of Funds in their Country/Region of Formation";

(iii) "(iii) Taxation of Unitholders"; and

(iv) the sub-paragraph entitled "India" under the sub-section entitled "(iv) Investment Markets".

REPORTS AND ACCOUNTS

For details of the reports and accounts of the Fund, please refer to the section entitled "REPORTS AND ACCOUNTS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

GENERAL

Save for the provisions on "Duration of the Funds", the general provisions under the section entitled "GENERAL" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

The provisions on "Duration of the Fund" which apply to this Fund are set out below.

Duration of the Fund

Unless previously terminated, the Fund will terminate automatically on the date of its ninety ninth anniversary from the date of the Trust Deed. Either the Manager or the Trustee may, in certain circumstances, terminate the Fund at any time. Such circumstances include the passing of any law which renders it illegal to continue the Fund or, in the opinion of the Manager, impracticable or inadvisable to continue the Fund or where the aggregate net asset value of the Fund falls below US$10,000,000 or its equivalent in another currency or where the Manager (with the approval of the Trustee) considers termination of the Fund is in the best interest of unitholders. The Fund may also be terminated by Extraordinary Resolution of the unitholders at any time.

Any unclaimed proceeds or other cash held by the Trustee upon termination of a Fund may at the expiration of twelve months from the date upon which the same were payable be paid into a court of competent jurisdiction subject to the right of the Trustee to deduct therefrom any expenses it may incur in making such payment.

MANAGEMENT AND ADMINISTRATION DIRECTORY

Manager and Service Provider

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Trustee and Registrar

HSBC Institutional Trust Services (Mauritius) Limited
HSBC Centre
Eighteen
Cybercity Ebene
Republic of Mauritius

Directors of JPMorgan Funds (Asia) Limited

Chan, Tsun Kay, Edwin
Ebrahim, Ayaz
Leung, Kit Yee, Elka
Roberts, Ioan William
Watkins, Daniel James

Auditors

PricewaterhouseCoopers
Eighteen
Cybercity Ebene
Republic of Mauritius

Investment Manager

JPMorgan Asset Management (Asia Pacific) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Additional information is available from: -

JPMorgan Funds (Asia) Limited
GPO Box 11448
Hong Kong
Telephone: (852) 2265 1188
Facsimile: (852) 2868 5013

JPMorgan Multi Balanced Fund

INTRODUCTION

JPMorgan Multi Balanced Fund ("Fund") is a unit trust constituted by a Trust Deed dated 23 February 2017 ("Trust Deed") governed by the laws of Hong Kong. The Fund has been authorised as a collective investment scheme in the form of a unit trust by the Securities and Futures Commission ("SFC") under Section 104 of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("SFO") and the Code on Unit Trusts and Mutual Funds ("SFC Code"). SFC authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Fund's portfolio is subject to market fluctuations and exchange rate fluctuations and to the risks inherent in all investments. Therefore, the value of the Fund and the level of distributions (if any) may go down as well as up.

FUND PARTIES

The Fund is managed by JPMorgan Funds (Asia) Limited ("Manager"), a company incorporated with limited liability under the laws of Hong Kong.

Day-to-day investment management of the Fund has been delegated to JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited) ("Investment Manager"), a company incorporated with limited liability in Hong Kong. The Investment Manager has further appointed J.P. Morgan Investment Management Inc., a company incorporated in the United States of America and JPMorgan Asset Management (UK) Limited, a company incorporated in England and Wales with limited liability as sub-managers ("Sub-Managers").

HSBC Institutional Trust Services (Asia) Limited, acting as trustee of the Fund ("Trustee"), is incorporated in Hong Kong and is registered as a trust company under the Trustee Ordinance in Hong Kong. The Trustee is an indirect wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. Under the Trust Deed, the Trustee is responsible for the safe-keeping of the Fund's investments. The HSBC Group has adopted a policy of compliance with the sanctions issued by The Office of Foreign Assets Control of the US Department of the Treasury.

HSBC Trustee (Cayman) Limited is the registrar of the Fund ("Registrar") and is incorporated with limited liability in the Cayman Islands. The Registrar is responsible for keeping the register of unitholders.

INVESTMENT OBJECTIVES, POLICY AND RESTRICTIONS

Investment Objective and Policy

The investment objective of the Fund is to provide regular income by investing primarily in a conservatively constructed portfolio of income generating securities globally, including but not limited to, equities (including preferred shares), senior secured bonds, high yield bonds, investment grade bonds, below investment grade bonds, emerging market bonds, convertible bonds, asset backed securities (including asset backed commercial papers) and mortgage backed securities. The Fund seeks to construct a conservative portfolio with the aim of operating the portfolio as a whole with volatility lower than that of the broad market over the medium term. It may be achieved by having a significant bias towards fixed income securities, especially high quality (investment grade) fixed income securities, if the Manager believes market conditions and opportunities favour such investments, and less exposure to equity securities and other asset classes. The Manager will construct a global diversified portfolio where the Fund can capture different sources of income and utilise the lower or negative correlation across asset classes to dampen the overall portfolio volatility.

The Fund will primarily invest (i.e. at least 70% of its total net asset value) in debt and equity securities. Issuers of these securities may be located in any country, including emerging markets. The Fund may vary its asset allocation in response to market conditions.

Asset allocation decisions are the result of qualitative and quantitative research into a range of fundamental factors such as economic outlook, official policy actions, market valuation levels, investor sentiment and positioning. The Manager, Investment Manager and/or Sub-Managers exercise a judgment as to the relative importance of various fundamental conditions as well as degree of conviction in establishing the asset class and geographic allocations in the Fund.

The Fund may invest up to 50% of its total net asset value in investment grade (as defined below) mortgage backed securities while investments in non-investment grade mortgage backed securities will be subject to the 20% limit on non-investment grade debt securities as described below.

The Fund may invest less than 30% of its total net asset value in real estate investment trusts ("REITs").

The Fund will invest in equity and equity equivalent securities globally (including but not limited to American depositary receipts, global depositary receipts, equity-linked notes, participation notes etc.), provided that the Fund may only invest less than 10% of its total net asset value in equity-linked notes and participation notes. There are no restrictions on market capitalisations, industries or geographies.

The Fund's aggregate exposure (direct and indirect) to China A-Shares and B-Shares may not exceed 10% of its total net asset value and should this investment policy in China A-Shares and/or B-Shares change in the future, not less than one month's prior notice will be given to unitholders and the offering document will be updated accordingly.

The Fund will invest in investment grade (rated Baa3/BBB- or higher using the highest rating available from one of the international independent rating agencies (e.g. Moody's, Standard & Poor's, Fitch)), non-investment grade (rated Ba1/BB+ or below using the highest rating available from one of the international independent rating agencies (e.g. Moody's, Standard & Poor's, Fitch)) and unrated debt securities (including but not limited to convertible bonds, asset backed securities, collateralised loan obligations, mortgage backed securities and asset backed commercial papers etc.) issued or guaranteed by governments, government agencies or supranational bodies worldwide or companies in both developed and emerging markets, provided that, the Fund may only invest less than 30% of its total net asset value in convertible bonds, asset backed securities, collateralised loan obligations and asset backed commercial papers in aggregate. For the avoidance of doubt, the Fund will not invest more than 20% of its total net asset value in non-investment grade debt securities.

The Fund will not invest more than 10% of its total net asset value in:

(i) securities issued or guaranteed by any single sovereign issuer (including its government, a public or local authority of that country) with a credit rating below investment grade;

(ii) Chinese debt securities traded in the China interbank bond market ("CIBM") through the CIBM Initiative and/or Bond Connect; or

(iii) PRC onshore securities (including equity and debt securities).

The Fund may invest up to 10% of its total net asset value in instruments with loss-absorption features (e.g. contingent convertible debt securities, certain types of senior non-preferred debts, etc.).

The Fund may have limited usage of derivatives as permitted by the SFC from time to time such as options, warrants and futures.

The Fund may under limited circumstances (e.g. for cash management purpose) as considered appropriate by the Manager, Investment Manager and/or Sub-Managers, hold up to 30% of its total net asset value in cash and cash based instruments.

The Fund will have limited Renminbi (RMB) denominated underlying investments.

The Fund may gain its exposure to equity and debt securities directly and/or through investing up to 50% of its total net asset value in units or shares of other collective investment schemes which are either authorised by the SFC[1] or eligible schemes in accordance with the list of recognised jurisdictions published by the SFC, provided that investment in any one of such schemes may not exceed 30% of the Fund's total net asset value. The investment objective and strategy of the underlying schemes which the Fund invests in are similar to those of the Fund, and such underlying schemes will not use derivatives extensively. There are no restrictions on asset classes or geographies of the underlying schemes.

The Fund may invest in assets denominated in any currency. Non USD currency exposure may be hedged. The investment objective, policy and investment restrictions and guidelines of the Fund may, subject to the approval of the Trustee and/or the SFC (as applicable), vary from time to time when the Manager, Investment Manager and/or Sub-Managers consider appropriate in the circumstances.

Investment Restrictions and Guidelines

The Fund may invest in anything into which a person may invest, subject to the investment restrictions as stipulated in the sub-section entitled "Investment Restrictions and Guidelines" under the section entitled "INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds, unless otherwise set out below.

[1] SFC authorisation is not a recommendation or endorsement of a fund nor does it guarantee the commercial merits of the fund or its performance. It does not mean the fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The following investment restrictions and guidelines are applicable to the Fund:

(i) The Fund will not invest more than 10% of its total net asset value in securities issued by or guaranteed by any single sovereign issuer with a credit rating below investment grade.

(ii) The Fund may invest less than 30% of its total net asset value in convertible bonds, asset backed securities, collateralised loan obligations and asset backed commercial papers in aggregate.

(iii) The Fund may invest up to 50% of its total net asset value in investment grade mortgage backed securities.

(iv) The Fund will not invest more than 20% of its total net asset value in non-investment grade debt securities.

(v) The Fund may invest less than 10% of its total net asset value in equity-linked notes and participation notes.

(vi) Notwithstanding sub-paragraphs 1(g) and 2(c) respectively in the sub-section entitled "Investment Restrictions and Guidelines" under the section entitled "INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds:

(a) The Fund may invest up to 50% of its total net asset value in units or shares of other collective investment schemes authorised by the SFC[1] or eligible schemes in accordance with the list of recognised jurisdictions published by the SFC, provided that investment in any one of such schemes may not exceed 30% of the Fund's total net asset value. The Fund may also invest not more than 10% of its total net asset value, in aggregate, in not eligible schemes.

For the purposes of (a), the Fund may invest in the underlying scheme provided that no more than 10% of the assets of such underlying scheme, whether individually or on an aggregate basis, be invested in other schemes.

(b) The Fund may not sell short any securities.

(vii) The Fund will not invest more than 10% of its total net asset value in contingent convertible bonds.

(viii) The Fund will not invest more than 10% of its total net asset value in Chinese debt securities traded in the CIBM through the CIBM Initiative and/or Bond Connect.

(ix) The Fund will not invest more than 10% of its total net asset value in PRC onshore securities (including equity and debt securities).

(x) The Fund may invest less than 30% of its total net asset value in REITs.

Borrowing and Leverage

For information about the borrowing and leverage of the Fund, please refer to the section entitled "Borrowing and Leverage" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Securities Financing Transactions Policy

For details of the securities financing transactions policy of the Fund, please refer to the section entitled"Securities Financing Transactions Policies" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (collectively the "China Connect")

The sub-section entitled "Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (collectively the "China Connect")" under the section entitled "INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

RISKS

The performance of the Fund will be affected by a number of risk factors, including the risk factors as set out in the section entitled "RISKS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

In addition, the following risk factors are applicable to the Fund:

(i) Investment risk – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.

(ii) Risk relating to dynamic asset allocation strategy – The investments of the Fund may be periodically rebalanced and therefore the Fund may incur greater transaction costs than a fund with static allocation strategy.

(iii) Risks associated with debt securities – the Fund's investments in debt securities are subject to the following risks:

- Interest rate risk – Investment in the Fund is subject to interest rate risk. In general, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise.
- Below investment grade/unrated investment risk – The Fund may invest in bonds and other debt securities which are unrated or with ratings below investment grade. Such securities are generally subject to lower liquidity, higher volatility and greater risk of loss of principal and interest than high-rated debt securities.
- Investment grade bond risk – Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review such assigned ratings and bonds may therefore be subject to the downgrading risk if economic circumstances (e.g. subject to market or other conditions) impact the relevant bond issues. Downgrading of the bonds may adversely affect the value of the relevant bonds and therefore the performance of the Fund. The Fund may or may not be able to dispose of the bonds that are downgraded. Also, the Fund may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.
- Sovereign debt risk – The Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Fund to participate in restructuring such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers.
- Valuation risk – Valuation of the Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund.
- Credit rating risk – Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.
- Credit risk – The Fund is exposed to the credit/default risk of issuers of the debt securities that the Fund may invest in. If the issuer of any of the debt securities in which the Fund's assets are invested defaults, the performance of the Fund will be negatively affected and the Fund could suffer substantial loss. Furthermore, most emerging market debt securities are not given a rating by internationally recognised credit rating agencies and subject to the "Emerging markets risk" set out in the section entitled "RISKS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds and below.
- Risks associated with convertible bonds – Convertible bonds are a hybrid between debt and equity, permitting holders to convert into shares in the company issuing the bond at a specified future date. As such, convertible bonds will be exposed to equity movement and greater volatility than straight bond investments. Investments in convertible bonds are subject to the same interest rate risk, credit risk, liquidity risk and prepayment risk associated with comparable straight bond investments.
- Risks associated with asset backed securities, mortgage backed securities, collateralised loan obligations and asset backed commercial papers – The Fund may invest substantially in mortgage backed securities. The asset backed securities, mortgage backed securities, collateralised loan obligations and asset backed commercial papers in which the Fund invests may be rated with non-investment grade and may be highly illiquid and prone to substantial price volatility. These instruments may be subject to greater credit, liquidity and interest rate risk compared to other debt securities. They are often exposed to extension and prepayment risks and risks that the payment obligations relating to the underlying assets are not met, which may adversely impact the returns of the securities.

(iv) Risks associated with investments in debt instruments with loss-absorption features – Debt instruments with loss-absorption features are subject to greater risks when compared to traditional debt instruments as such instruments are typically subject to the risk of being written down or converted to ordinary shares upon the occurrence of pre-defined trigger events (e.g. when the issuer is near or at the point of non-viability or when the issuer's capital ratio falls to a specified level), which are likely to be outside of the issuer's control. Such trigger events are complex and difficult to predict and may result in a significant or total reduction in the value of such instruments.

In the event of the activation of a trigger, there may be potential price contagion and volatility to the entire asset class. Debt instruments with loss-absorption features may also be exposed to liquidity, valuation and sector concentration risk.

The Fund may invest in contingent convertible debt securities, commonly known as CoCos, which are highly complex and are of high risk. Upon the occurrence of the trigger event, CoCos may be converted into shares of the issuer (potentially at a discounted price), or may be subject to the permanent write-down to zero. Coupon payments on CoCos are discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.

The Fund may invest in certain types of senior non-preferred debts. While these instruments are generally senior to subordinated debts, they may be subject to write-down upon the occurrence of a trigger event and will no longer fall under the creditor ranking hierarchy of the issuer. This may result in total loss of principal invested.

(v) Equity market risk – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors.

(vi) Emerging markets risk – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.

(vii) Risks of investing in other collective investment schemes – The Fund will be subject to the risks associated with the underlying collective investment schemes it invests in. The Fund does not have control of the investments of the underlying schemes and there is no assurance that the investment objective and strategy of the underlying schemes will be successfully achieved which may have a negative impact to the net asset value of the Fund.

The underlying schemes in which the Fund may invest may not be regulated by the SFC. There may be additional costs involved when investing into these underlying schemes. There is also no guarantee that the underlying schemes will always have sufficient liquidity to meet the Fund's redemption requests as and when made.

(viii) REITs risk – The Fund may invest in REITs which invest primarily in real estate and this may involve a higher level of risk as compared to a diversified fund and other securities. Real estate investments are relatively illiquid and may affect the ability of a REIT to vary its investment portfolio or liquidate part of its assets in response to changes in economic conditions, international securities markets, foreign exchange rates, interest rates, real estate market or other condition. REITs may have limited financial resources, may trade less frequently and in a limited volume and may be subject to more abrupt or erratic price movements than other securities.

REITs are dependent upon management skills, are not diversified, are subject to heavy cash flow dependency, default on borrowings and self-liquidation. REITs are also subject to the possibility of failing to qualify for tax- free pass-through of income, as in some jurisdictions special tax rules may apply to impose tax on the REITs or withhold tax on income derived from REITs and the Fund will not obtain a credit for any tax paid by the REITs or tax on payments out of the REITs.

REITs are also subject to interest rate risks. When interest rates decline, the value of a REIT's investment in fixed rate obligations can be expected to rise. Conversely, when interest rates rise, the value of a REIT's investment in fixed rate obligations can be expected to decline. For adjustable rate mortgage loans, interest rates are reset periodically to reflect changes in market interest rates. Therefore, yields on a REIT's investments in such loans will gradually align themselves to reflect changes in market, causing the value of such investments to fluctuate less dramatically in response to interest rate fluctuations than would investments in fixed rate obligations. However, income generated from adjustable rate mortgage loans may be more volatile in response to interest rate fluctuations than would fixed rate obligations. Consequently, the value of a REIT held by the Fund may increase or decrease which in turn, affects the value of the Fund.

The underlying REITs which the Fund may invest may not necessarily be authorised by the SFC and their distribution or payout policies are not representative of the distribution policy of the Fund.

(ix) Credit risk for investment in REITs – A decline in the credit rating or perceived credit quality of a REIT can have a negative impact on the value of its shares or units. Lower credit quality may also affect liquidity and make it difficult for the Fund to sell a REIT.

(x) Distribution risk – The Manager intends to distribute at least 85 per cent. of the income (net of expenses) attributable to each Class in respect of each accounting period. However, there is no assurance on such distribution or the distribution rate or dividend yield.

(xi) Payment of distributions out of capital risk – Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realised and unrealised capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment, as a result, the capital that the Fund has available for investment in the future and capital growth may be reduced. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit. Also, a high distribution yield does not imply a positive or high return on the total investment. The distribution amount and net asset value per unit of a Currency Hedged Class may be adversely affected by differences in the interest rates of the reference currency of the relevant Currency Hedged Class and the Fund's base currency, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other Classes of units.

(xii) Class currency risk – The Class currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not Australian dollars) and chooses to invest in the AUD Hedged Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and Australian dollars upon the reconversion of its Australian dollars investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in Australian dollars. For further details, please refer to the sub-section entitled "Currency Hedged Classes" in the section entitled "CLASSES OF UNITS" below.

In view of the above, investment in the Fund should be regarded as long term in nature. The Fund is, therefore, only suitable for investors who can afford the risks involved.

CLASSES OF UNITS

Pursuant to the Trust Deed, the Manager may decide to issue separate classes (each a "Class") whose assets will be commonly invested but where a specific fee structure, currency or distribution policy may be applied. Each Class may have a different charging structure with the result that the net asset value attributable to each Class may differ.

Currently, the following Classes are available:

Class	Class Currency
JPMorgan Multi Balanced (mth) - USD	US dollars
JPMorgan Multi Balanced (mth) - HKD	HK dollars
JPMorgan Multi Balanced (mth) - AUD (hedged)	Australian dollars
JPMorgan Multi Balanced (mth) - EUR (hedged)	Euro
JPMorgan Multi Balanced (mth) - RMB (hedged)	Renminbi
JPMorgan Multi Balanced - Class C (acc) - USD	US dollars
JPMorgan Multi Balanced - Class C (mth) - USD	US dollars
JPMorgan Multi Balanced - Class C (mth) - SGD (hedged)	Singapore dollars

The Manager also has the power under the Trust Deed to cease to offer any Class (either temporarily or permanently). The Manager shall be entitled to cancel all units of a particular Class then in issue if at any time the net asset value of that Class falls below US$5 million (or its equivalent in another currency) or at any time with the sanction of an Extraordinary Resolution. In such event, the Manager shall issue to the affected unitholders units of an equivalent value of such other existing Class (if any) as the Manager may in its absolute discretion determine. Prior to such cancellation and issue of units, the Manager shall give the Trustee and all affected unitholders one month's notice (or such other notice period as required by the SFC) of its determination to cancel that Class and the new Class of units to be issued in substitution therefor (if any).

Currency Hedged Classes

For details of Currency Hedged Classes of the Fund, please refer to the sections entitled "Currency Hedged Classes" and "AUD Hedged Class/CAD Hedged Class/EUR Hedged Class/GBP Hedged Class/HKD Hedged Class/NZD Hedged Class/RMB Hedged Class/SGD Hedged Class/USD Hedged Class" respectively in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

DISTRIBUTION POLICY

The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval (if applicable) and one month's prior notice to the relevant unitholders.

It is the intention of the Manager to have at least 85 per cent. of the income attributable to the following Classes respectively in respect of each accounting period, after charging the expenses attributable to these Classes respectively, to be distributed to unitholders of these Classes respectively:

Class
JPMorgan Multi Balanced (mth) - USD
JPMorgan Multi Balanced (mth) - HKD
JPMorgan Multi Balanced (mth) - AUD (hedged)
JPMorgan Multi Balanced (mth) - EUR (hedged)
JPMorgan Multi Balanced (mth) - RMB (hedged)
JPMorgan Multi Balanced - Class C (mth) - USD
JPMorgan Multi Balanced – Class C (mth) – SGD (hedged)

It is the intention of the Manager to make distributions on a monthly basis or/and at such other time as the Manager may, with the prior approval of the Trustee, notify to unitholders. The Manager expects to be able to pay distributions from income generated by the Fund from its investment but in the event that such income is insufficient to pay distributions as it declares, the Manager may in its discretion determine that such distributions may be paid from capital. Please also refer to the risk factors entitled "Distribution risk" and "Payment of distributions out of capital risk".

Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[#].

The transferee of a unit will be entitled to a distribution in respect of such unit if the Registrar has received a valid instrument of transfer (duly stamped if required) in respect of the unit by 3:30 p.m. (Hong Kong time) on the last cum distribution dealing date. The subscriber of a unit shall be entitled to a distribution in respect of such unit if the application for the unit is received by the Manager by 5:00 p.m. (Hong Kong time) on the last cum distribution dealing date.

Reinvestment of Distributions

It is the Manager's current policy to reinvest automatically any distributions in the subscription of further units of the corresponding Class of units of the Fund, unless unitholders notify the Manager otherwise in writing and the amount of the relevant distribution equals to or exceeds US$250 (or its equivalent in another currency). Such further units will be issued on the date of distribution, or if that is not a dealing day, on the next following dealing day. No initial charge will be made on the issue of such further units. In the event that a unitholder redeems or switches its entire holding of the relevant Class before the actual payment date of any distributions, the Manager will redeem the reinvested units on the actual payment date and pay the redemption proceeds to the unitholder in cash if the reinvested units do not meet the relevant minimum holding requirement.

Payment of Distributions by cheque

For unitholders who have notified the Manager in writing to receive payment of distributions instead of having the distributions reinvested automatically in the subscription of further units (except for unitholders of the RMB denominated Class), payment will be made by cheque in the offering currency of the relevant Class and sent, at the risk of the persons entitled thereto, to such persons at the address (or first address in the case of any joint holding) shown in the register of unitholders or as they may direct. Any distribution which is not claimed for six years will be forfeited and becomes part of the assets of the relevant Class (and in case such relevant Class has been terminated, the Fund).

Payment of Distributions by telegraphic transfer

For unitholders of the RMB denominated Class who have notified the Manager in writing to receive payment of distributions instead of having the distributions reinvested automatically in the subscription of further units, payment will normally be made by telegraphic transfer, unless otherwise agreed by the Manager. Unitholders may be liable for any bank charges on payment by telegraphic transfer. Notwithstanding the aforesaid, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, the Manager may pay distributions in Fund's base currency.

[#] The website has not been reviewed by the SFC.

BASES OF VALUATIONS

The method of establishing the net asset value of each Class is set out in the Trust Deed. The net asset value per unit of each Class is calculated by dividing the value of the assets of that Class, less liabilities of that Class, by the total number of units of that Class in issue as at 5:00 p.m. (Hong Kong time) on the immediately preceding dealing day or such other time agreed between the Manager and the Trustee. Any rounding adjustment arising in respect thereof will be retained by the relevant Class. In general, quoted investments are valued at their closing price and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Manager or a professional person engaged for this purpose. Interest and other income and liabilities are, where practicable, accrued from day to day. Such valuations will be expressed in the offering currency of the relevant Class. The Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

Market volatility may result in a discrepancy between the latest available net asset value for each Class and the fair value of the assets of the relevant Class. Certain investors might exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on redemption, other unitholders may suffer a dilution in the value of their investment. As a safeguard against such exploitation, the Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the net asset value of the relevant Class or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders. It should be noted that the bases of valuations adopted by the relevant Class and the Fund may not be the same as the accounting principles generally accepted in Hong Kong. Further details are set out in the section entitled "REPORTS AND ACCOUNTS" below.

DEALING

For details of the dealing procedure of the Fund, please refer to the section entitled "DEALING" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SUBSCRIPTIONS

The Fund is denominated in US dollars.

The section entitled "SUBSCRIPTIONS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

Initial Issue Price

The first issue of units of the existing Classes were made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Multi Balanced (mth) - AUD (hedged)	AU$10.00
JPMorgan Multi Balanced (mth) - EUR (hedged)	EUR10.00
JPMorgan Multi Balanced (mth) - HKD	HK$10.00
JPMorgan Multi Balanced (mth) - RMB (hedged)	RMB10.00
JPMorgan Multi Balanced (mth) - USD	US$10.00

In addition, the first issue of units of the following classes will be made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Multi Balanced - Class C (acc) - USD	US$10.00
JPMorgan Multi Balanced - Class C (mth) - USD	US$10.00
JPMorgan Multi Balanced - Class C (mth) - SGD (hedged)	SG$10.00

REDEMPTIONS

For details on redemption of units of the Fund, please refer to the section entitled "REDEMPTIONS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SWITCHING

For details on how to switch between Classes of units within the Fund, between the Fund and other funds managed by the Manager or in respect of which the Manager acts as Hong Kong representative, please refer to the section entitled "SWITCHING" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

FEES, CHARGES AND LIABILITIES

Initial and Redemption Charges

The Manager may make an initial charge for each Class (normally up to 5 per cent. of the net asset value per unit) from the gross subscription amount on the issue of units where applicable and receive a redemption charge for each Class (normally up to 0.5 per cent. of the net asset value per unit) from the redemption monies on the cancellation or redemption of units where applicable. However, the Manager does not currently levy any redemption charge.

The Manager reimburses approved intermediaries, which include banks, brokers, recognised securities dealers and other investment advisers (collectively, "Distributors"), a proportion of the commissions, fees, charges or other benefits received by it on the value of the relevant business introduced to the Fund.

Management Fee

The Manager is entitled to receive a management fee of up to 2.5 per cent. per annum of the net asset value of each Class. However, the Manager currently receives a fee of 1.25 per cent. per annum of the net asset value of each Class other than Class C. For Class C, the Manager currently receives a fee of 0.60 per cent. per annum of the net asset value of each Class. The Manager may only increase the level of its fee (which may not exceed 2.5 per cent. per annum of the net asset value of each Class) by giving to the Trustee and unitholders not less than one month's notice of the increased level of management fee. The management fee shall accrue daily based on the net asset value of each Class on each dealing day and shall be payable monthly in arrears. If the assets of the Fund include interests in any unit trust or other collective investment scheme managed by the Manager or its Connected Persons, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the relevant Class' interest in such unit trust or scheme. Where the Fund invests in any underlying scheme(s) managed by the Manager, the Investment Manager and/or the Sub-Managers or any of their Connected Persons, all initial charges and redemption charges on the underlying scheme(s) shall be waived. The Manager, the Investment Manager and/ or the Sub-Managers of the Fund may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company.

The fees of the Investment Manager will be borne by the Manager. The fees of the Sub-Managers will be borne by the Investment Manager.

Trustee Fee

The Trustee is entitled to receive a trustee fee of 0.2 per cent. per annum of the net asset value of the Fund. However, the Trustee currently receives a fee at the following rates of the Fund's net asset value:-

	Rate (per annum)
On the first US$40,000,000	0.06%
On the next US$30,000,000	0.04%
On the balance over US$70,000,000	0.025%

The Trustee may only increase the level of its fee (which may not exceed 0.2 per cent. per annum) with the agreement of the Manager and by giving to the unitholders not less than one month's notice of the increased level of trustee fee. The trustee fee shall accrue daily based on the net asset value of the Fund on each dealing day and shall be payable monthly in arrears.

For details of the current fees and charges in respect of dealings made through any other channels from time to time specified by JPMorgan Funds (Asia) Limited, please consult JPMorgan Funds (Asia) Limited.

Fiscal Charges

For details of the fiscal charges policy of the Fund, please refer to the sub-section entitled "Fiscal Charges" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Other Liabilities

Save for the cost of establishing the Fund, details under the sub-section entitled "Other Liabilities" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

The cost of establishing the Fund which has not been fully amortised as at the date of this Explanatory Memorandum amounts to approximately HK$487,700. These costs will be borne by the Fund and amortised by no later than the third financial year end (for the avoidance of doubt, if the Fund were to terminate for whatever reason before the third financial year end, any such cost remaining unamortised would be written off upon the Fund's termination).

CONFLICTS OF INTEREST

For details of the Manager's current policy on conflicts of interest, please refer to the section entitled "CONFLICTS OF INTEREST" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

TAXATION

The following sub-sections under Section D – TAX NOTES of the Consolidated Explanatory Memoranda apply to the Fund:

(i) "(i) General";

(ii) the sub-paragraph entitled "Hong Kong" under the sub-section entitled "(ii) Taxation of Funds in their Country/ Region of Formation"; and

(iii) "(iii) Taxation of Unitholders of Major Retail Distribution Countries".

REPORTS AND ACCOUNTS

For details of the reports and accounts of the Fund, please refer to the section entitled "REPORTS AND ACCOUNTS" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

GENERAL

The general provisions under the section entitled "General" in Section A – Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to the Fund.

MANAGEMENT AND ADMINISTRATION DIRECTORY

Manager and Service Provider

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Trustee

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Directors of JPMorgan Funds (Asia) Limited

Chan, Tsun Kay, Edwin
Ebrahim, Ayaz
Leung, Kit Yee, Elka
Roberts, Ioan William
Watkins, Daniel James

Registrar

HSBC Trustee (Cayman) Limited
PO Box 484
HSBC House
68 West Bay Road
Grand Cayman
KY1-1106 Cayman Islands

Investment Manager

JPMorgan Asset Management (Asia Pacific) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Auditors

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
1 Des Voeux Road Central
Hong Kong

Sub-Managers

J.P. Morgan Investment Management Inc.
383 Madison Avenue
New York, NY10179
United States of America

JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London
EC4Y 0JP
United Kingdom

Additional information is available from: -

JPMorgan Funds (Asia) Limited
GPO Box 11448
Hong Kong

Telephone: (852) 2265 1188
Facsimile: (852) 2868 5013

JPMorgan Multi Income Fund

INTRODUCTION

JPMorgan Multi Income Fund ("Fund") is a unit trust constituted by a Trust Deed dated 24 June 2011, as amended from time to time ("Trust Deed") governed by the laws of Hong Kong. The Fund has been authorised as a collective investment scheme in the form of a unit trust by the Securities and Futures Commission ("SFC") under Section 104 of the *Securities and Futures Ordinance* (Cap. 571 of the Laws of Hong Kong) ("SFO") and the Code on Unit Trusts and Mutual Funds ("SFC Code"). SFC authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Fund's portfolio is subject to market fluctuations and exchange rate fluctuations and to the risks inherent in all investments. Therefore, the value of the Fund and the level of distributions (if any) may go down as well as up.

FUND PARTIES

The Fund is managed by JPMorgan Funds (Asia) Limited ("Manager"), a company incorporated with limited liability under the laws of Hong Kong.

Day-to-day investment management of the Fund has been delegated to JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited) ("Investment Manager"), a company incorporated with limited liability in Hong Kong. The Investment Manager has further appointed J.P. Morgan Investment Management Inc., a company incorporated in the United States of America and JPMorgan Asset Management (UK) Limited, a company incorporated in England and Wales with limited liability as sub-managers (collectively, "Sub-Managers").

HSBC Institutional Trust Services (Asia) Limited acting as trustee of the Fund ("Trustee"), is incorporated with limited liability in Hong Kong and is registered as a trust company under the Trustee Ordinance in Hong Kong. The Trustee is an indirect wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. Under the Trust Deed, the Trustee is responsible for the safe-keeping of the Fund's investments. The HSBC Group has adopted a policy of compliance with the sanctions issued by The Office of Foreign Assets Control of the US Department of the Treasury.

Please refer to the section entitled "FUND PARTIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds in relation to the liabilities of each of the parties described herein.

HSBC Trustee (Cayman) Limited is the registrar of the Fund ("Registrar") and is incorporated with limited liability in the Cayman Islands. The Registrar is responsible for keeping the register of unitholders.

INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS

Investment Objective and Policy

The investment objective of the Fund is to maximise the income return primarily through investing in a diversified portfolio of income producing equities, bonds and other securities. In addition, the Fund aims to provide medium to long term moderate capital growth. The Manager will seek to achieve these objectives by active asset allocation to, and within, different asset classes and geographies. The asset classes include but are not limited to investment grade bonds, below investment grade bonds, high yield bonds, emerging market bonds, convertible bonds, real estate investment trusts ("REITs") and equities.

The Manager will seek to achieve the investment objectives by: (1) active security selection within a broad range of asset classes (including but not limited to, equities, high yield bonds, investment grade bonds, below investment grade bonds, emerging market bonds, convertible bonds, asset backed securities (including asset backed commercial papers), mortgage backed securities and REITs) whose focus is on income generation; (2) active allocation to and within different asset classes to take advantage of the most compelling income opportunities wherever they can be found; and (3) ensuring that risks taken are appropriate to the overall investment objective and that multifaceted risk control procedures – both investment and operational – are in place to mitigate the possibility of an undesirable outcome.

The Fund will primarily invest (i.e. at least 70% of its total net asset value) in debt and equity securities.

Asset allocation decisions are the result of qualitative and quantitative research into a range of fundamental factors such as economic outlook, official policy actions, market valuation levels, investor sentiment and positioning. The Manager, Investment Manager and/or Sub-Managers exercise a judgment as to the relative importance of various fundamental conditions as well as degree of conviction in establishing the asset class and geographic allocations in the Fund.

The Fund may invest up to 50% of its total net asset value in asset backed securities (including asset backed commercial papers) and mortgage backed securities. The Fund may invest less than 30% of its total net asset value in non-agency asset backed securities (including asset backed commercial papers) and non-agency mortgage backed securities.

The Fund will not invest more than 10% of its total net asset value in urban investment bonds[1] (城投債).

The Fund will invest in equity and equity equivalent securities globally. There are no restrictions on market capitalisations, industries or geographies.

The Fund may invest up to 30% of its total net asset value in REITs.

The Fund may invest less than 50% of its total net asset value in debt securities (excluding convertible bonds) rated below investment grade (rated Ba1/BB+ or below using the highest rating available from one of the international independent rating agencies (e.g. Moody's, Standard and Poor's, Fitch)) and unrated debt securities (excluding convertible bonds). The Fund may invest less than 10% of its total net asset value in convertible bonds with no prescribed limitation on credit rating.

The Fund may also invest in derivatives as permitted by the SFC from time to time such as options, warrants and futures for investment purposes and may under limited circumstances (e.g. for cash management purpose) as considered appropriate by the Manager and the Investment Manager, hold temporarily up to 30% of its total net asset value in cash and cash based instruments.

The Fund will not invest more than 10% of its total net asset value in PRC onshore securities (including equity and debt securities).

The Fund will not invest more than 10% of its total net asset value in Chinese debt securities traded in the CIBM through the CIBM Initiative and/or Bond Connect.

The Fund will not invest more than 10% of its total net asset value in securities issued by or guaranteed by any single sovereign (including its government, public or local authority) with a credit rating below investment grade.

The Fund's aggregate exposure (direct and indirect) to China A-Shares and B-Shares may not exceed 10% of its total net asset value and should this investment policy in China A-Shares and/or B-Shares change in the future, one month's prior notice will be given to unitholders and the offering document will be updated accordingly.

The Fund may invest up to 10% of its total net asset value in instruments with loss-absorption features (e.g. contingent convertible debt securities, certain types of senior non-preferred debts, etc.).

The Fund will have limited Renminbi (RMB) denominated underlying investments.

The Fund may invest in assets denominated in any currency. Non USD currency exposure may be hedged.

The investment objective, policy and investment restrictions and guidelines of the Fund may, subject to the approval of the Trustee and/or the SFC (as applicable), vary from time to time where the Manager considers appropriate in the circumstances.

Currency Hedged Classes

Investors who invest in the Currency Hedged Classes should refer to the section entitled "CLASSES OF UNITS" for details on the objective, strategy and risks associated with the Currency Hedged Classes.

Investment Restrictions and Guidelines

The Fund may invest in anything into which a person may invest, subject to the investment restrictions as stipulated in the section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Notwithstanding the investment restrictions and guideliens set out in the section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds, the Fund may not sell short any securities.

[1] Urban investment bonds are debt instruments issued by mainland China local government financing vehicles ("LGFVs"). These LGFVs are separate legal entities established by local governments and/or their affiliates to raise financing for public welfare investment or infrastructure projects.

Borrowing and Leverage

The expected maximum level of leverage of the Fund is as follows:

Borrowing Policies

The Fund may enter into borrowing arrangements on a temporary basis for unavoidable circumstances only including but not limited to, meeting redemption requests, provided that the aggregate principal amount of borrowing outstanding shall not exceed 10 per cent. of the net asset value of the Fund. The Fund's assets may be charged or pledged as security for any such borrowings. Back-to-back loans do not count as borrowing. For the avoidance of doubt, securities lending transactions and sale and repurchase transactions in compliance with the requirements as set out in sub-paragraphs 5.1 to 5.4 of the sub-section "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds are not borrowings for the purpose of, and are not subject to the limitations in this paragraph. The Fund may borrow money from the Trustee, the Manager or any of their Connected Persons provided that the lender is permitted to lend money and the interest and any fee is no higher than an arm's length commercial rate of fee for a loan of the same size and nature.

Leverage from the use of financial derivative instruments

For details of the leverage information of the Fund, please refer to the sub-section entitled "Leverage from the use of financial derivative instruments" in the section entitled "Borrowing and Leverage" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Securities Financing Transactions Policy

For details of the securities financing transactions policy of the Fund, please refer to the section entitled "Securities Financing Transactions Policies" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

RISKS

The performance of the Fund will be affected by a number of risk factors, including the risk factors as set out in the section entitled "RISKS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

In addition, the following risk factors are applicable to the Fund:

(i) Equity risk – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.

(ii) Risks associated with debt securities – the Fund's investments in debt securities are subject to the following risks:

- Interest rates risk – Interest rates in the countries in which the Fund's assets will be invested may be subject to fluctuations. Any such fluctuations may have a direct effect on the income received by the Fund and its capital value. Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. The prices of bonds generally increase when interest rates decline and decrease when interest rates rise. Longer term bonds are usually more sensitive to interest rate changes. The performance of the Fund may therefore be adversely affected. Given the historically low interest rate environment, risks associated with rising rates are heightened.

- Credit risk – If the issuer of any of the fixed interest securities in which the Fund's assets are invested defaults, the performance of the Fund will be negatively affected and the Fund could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the Fund. Decline in credit quality of the issuer may adversely affect the valuation of the relevant bonds and the Fund. The credit ratings assigned by credit rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or the issuer at all times. Furthermore, most emerging market fixed interest securities are not given a rating by internationally recognised credit rating agencies and subject to the "Emerging markets risk" set out in the section entitled "RISKS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

- Below investment grade/unrated investment risk – The Fund may invest in bonds and other debt securities which are unrated or with ratings below investment grade or rated BB+ or below by a PRC credit rating agency. Accordingly, such investment will be accompanied by a higher degree of credit and liquidity risks than is present with investment

in higher rated securities. During economic downturns such bonds typically fall more in value than investment grade bonds as such are often subject to a higher risk of issuer default. The net asset value of the Fund may decline or be negatively affected if there is a default of any of the high yield bond that the Fund invests in or if interest rates change.

- Investment grade bond risk – Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review such assigned ratings and bonds may therefore be downgraded in rating if economic circumstances (e.g. subject to market or other conditions) impact the relevant bond issues. Downgrading of the bonds may adversely affect the value of the relevant bonds and therefore the performance of the Fund. The Fund may or may not be able to dispose of the bonds that are downgraded. Also, the Fund may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.

- Sovereign debt risk – The Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Fund to participate in restructuring such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers.

- Valuation risk – Valuation of the Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund.

- Risks associated with asset backed securities, mortgage backed securities, collateralised loan obligations and asset backed commercial papers – The Fund may invest substantially in mortgage backed securities. The asset backed securities, mortgage backed securities, collateralised loan obligations and asset backed commercial papers in which the Fund invests may be rated with non-investment grade and may be highly illiquid and prone to substantial price volatility. These instruments may be subject to greater credit, liquidity and interest rate risk compared to other debt securities. They are often exposed to extension and prepayment risks and risks that the payment obligations relating to the underlying assets are not met, which may adversely impact the returns of the securities.

(iii) Risks associated with investments in debt instruments with loss-absorption features – Debt instruments with loss-absorption features are subject to greater risks when compared to traditional debt instruments as such instruments are typically subject to the risk of being written down or converted to ordinary shares upon the occurrence of pre-defined trigger events (e.g. when the issuer is near or at the point of non-viability or when the issuer's capital ratio falls to a specified level), which are likely to be outside of the issuer's control. Such trigger events are complex and difficult to predict and may result in a significant or total reduction in the value of such instruments.

In the event of the activation of a trigger, there may be potential price contagion and volatility to the entire asset class. Debt instruments with loss-absorption features may also be exposed to liquidity, valuation and sector concentration risk.

The Fund may invest in contingent convertible debt securities, commonly known as CoCos, which are highly complex and are of high risk. Upon the occurrence of the trigger event, CoCos may be converted into shares of the issuer (potentially at a discounted price), or may be subject to the permanent write-down to zero. Coupon payments on CoCos are discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.

The Fund may invest in certain types of senior non-preferred debts. While these instruments are generally senior to subordinated debts, they may be subject to write-down upon the occurrence of a trigger event and will no longer fall under the creditor ranking hierarchy of the issuer. This may result in total loss of principal invested.

(iv) REITs risk – The Fund may invest in REITs which invest primarily in real estate and this may involve a higher level of risk as compared to a diversified fund and other securities. Real estate investments are relatively illiquid and may affect the ability of a REIT to vary its investment portfolio or liquidate part of its assets in response to changes in economic conditions, international securities markets, foreign exchange rates, interest rates, real estate market or other condition. REITs may have limited financial resources, may trade less frequently and in a limited volume and may be subject to more abrupt or erratic price movements than other securities.

REITs are dependent upon management skills, are not diversified, are subject to heavy cash flow dependency, default on borrowings and self-liquidation. REITs are also subject to the possibility of failing to qualify for tax-free pass-through of income, as in some jurisdictions special tax rules may apply to impose tax on the REITs or withhold tax on income derived from REITs and the Fund will not obtain a credit for any tax paid by the REITs or tax on payments out of the REITs.

REITs are also subject to interest rate risks. When interest rates decline, the value of a REIT's investment in fixed rate obligations can be expected to rise. Conversely, when interest rates rise, the value of a REIT's investment in fixed rate obligations can be expected to decline. For adjustable rate mortgage loans, interest rates are reset periodically to reflect changes in market interest rates. Therefore, yields on a REIT's investments in such loans will gradually align themselves to reflect changes in market, causing the value of such investments to fluctuate less dramatically in response to interest rate fluctuations than would investments in fixed rate obligations. However, income generated from adjustable rate mortgage loans may be more volatile in response to interest rate fluctuations than would fixed rate obligations. Consequently, the value of a REIT held by the Fund may increase or decrease which in turn, affects the value of the Fund.

The underlying REITs which the Fund may invest may not necessarily be authorised by the SFC and their distribution or payout policies are not representative of the distribution policy of the Fund.

(v) Credit risk for investment in REITs – A decline in the credit rating or perceived credit quality of a REIT can have a negative impact on the value of its shares or units. Lower credit quality may also affect liquidity and make it difficult for the Fund to sell a REIT.

(vi) Risk relating to dynamic asset allocation strategy – The investments of the Fund may be periodically rebalanced and therefore the Fund may incur greater transaction costs than a fund with static allocation strategy.

(vii) Distribution risk – Except for the Classes with the suffix "(acc)" which are accumulation Classes and will not normally pay distributions, the Manager intends to distribute at least 85 per cent. of the income (net of expenses) attributable to each Class in respect of each accounting period. However, there is no assurance on such distribution or the distribution rate or dividend yield.

(viii) Payment of distributions out of capital risk – Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realised and unrealised capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment, as a result, the capital that the Fund has available for investment in the future and capital growth may be reduced. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit. Also, a high distribution yield does not imply a positive or high return on the total investment.

The distribution amount and net asset value of the Currency Hedged Class may be adversely affected by differences in the interest rates of the denominated currency of the Currency Hedged Class and the base currency of the Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-Currency Hedged Classes.

(ix) Cross-Class liability risk – Pursuant to the Trust Deed, the Manager reserves the right to establish and issue new Classes from time to time. The net asset value of each Class will be calculated separately with particular assets and liabilities of the Fund attributable to particular Classes. Whilst different Classes may have separate accounts for internal accounting purposes, there is no legal segregation of assets and liabilities between Classes. Accordingly, the assets of one or more Classes may be used to settle liability which arises in another Class.

(x) Class currency risk – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not Australian dollars) and chooses to invest in the AUD Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and Australian dollars upon the reconversion of its Australian dollars investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in Australian dollars. For further details, please refer to the sub-section entitled "Currency Hedged Classes" in the section entitled "CLASSES OF UNITS" below.

(xi) Risks related to the Eurozone sovereign debt crisis – The Fund may invest substantially in the Eurozone. In light of the ongoing fiscal conditions and concerns on the sovereign debt risk of certain countries within the Eurozone (in particular, Portugal, Ireland, Italy, Greece and Spain), the Fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. The performance of the Fund may deteriorate significantly should there be any adverse credit events (e.g. downgrade of the sovereign credit rating, obligation default, etc) of any Eurozone country or exit of members from the Eurozone.

(xii) Currency Hedged Classes risk – Each Currency Hedged Class may hedge the Fund's denominated currency back to its currency of denomination, with an aim to provide a return on investment which correlates with the return of the Class of unit which is denominated in the Fund's base currency. The costs and resultant profit or loss on the hedging transactions will be reflected in the net asset value per unit for the units of the relevant Currency Hedged Classes. The costs relating to such hedging transactions which may be significant depending on prevailing market conditions shall be borne by that Currency Hedged Class only.

The precise hedging strategy applied to a particular Currency Hedged Class may vary. In addition, there is no guarantee that the desired hedging instruments will be available or hedging strategy will achieve its desired result. In such circumstances, investors of the Currency Hedged Class may still be subject to the currency exchange risk on an unhedged basis (which means that, for example, if the hedging strategy in respect of the RMB Hedged Class is ineffective, depending on the exchange rate movements of RMB relative to the base currency of the Fund, and/or other currency(ies) of the non-RMB denominated underlying investment of the Fund, (i) investors may still suffer losses even if there are gains or no losses in the value of the non-RMB denominated underlying investments; or (ii) investors may suffer additional losses if the non-RMB denominated underlying investments of the Fund fall in value). If the counterparties of the instruments used for hedging purposes default, investors of the Currency Hedged Classes may be exposed to the currency exchange risk on an unhedged basis and may therefore suffer further losses.

While the hedging strategy may protect investors of the Currency Hedged Classes against a decrease in the value of the Fund's base currency relative to the denominated currency of that Currency Hedged Class, the hedging strategy may substantially limit the benefits of any potential increase in the value of a Currency Hedged Class expressed in the Class currency, if the Currency Hedged Class' denominating currency falls against the base currency of the Fund. Please refer to the section entitled "Classes of Units" for further details.

In view of the above, investment in the Fund should be regarded as long term in nature. The Fund is, therefore, only suitable for investors who can afford the risks involved.

CLASSES OF UNITS

Pursuant to the Trust Deed, the Manager may decide to issue separate classes (each a "Class") whose assets will be commonly invested but where a specific fee structure, currency or distribution policy may be applied. Each Class may have a different charging structure with the result that the net asset value attributable to each Class may differ.

Currently, the following Classes are available:

Class	Class Currency
JPMorgan Multi Income (acc) - HKD	HK dollars
JPMorgan Multi Income (acc) - RMB (hedged)	Renminbi
JPMorgan Multi Income (acc) - USD	US dollars
JPMorgan Multi Income (mth) - AUD (hedged)	Australian dollars
JPMorgan Multi Income (mth) - CAD (hedged)	Canadian dollars
JPMorgan Multi Income (mth) - EUR (hedged)	Euro
JPMorgan Multi Income (mth) - GBP (hedged)	Sterling
JPMorgan Multi Income (mth) - HKD	HK dollars
JPMorgan Multi Income (mth) - NZD (hedged)	New Zealand dollars
JPMorgan Multi Income (mth) - RMB (hedged)	Renminbi
JPMorgan Multi Income (mth) - SGD (hedged)	Singapore dollars
JPMorgan Multi Income (mth) - USD	US dollars
JPMorgan Multi Income - Class C (acc) - USD	US dollars
JPMorgan Multi Income - Class C (mth) - USD	US dollars

The Manager also has the power under the Trust Deed to cease to offer any Class (either temporarily or permanently). The Manager shall be entitled to cancel all units of a particular Class then in issue if at any time the net asset value of that Class falls below US$5

million (or its equivalent in another currency) or at any time with the sanction of an Extraordinary Resolution. In such event, the Manager shall issue to the affected unitholders units of an equivalent value of such other existing Class (if any) as the Manager may in its absolute discretion determine. Prior to such cancellation and issue of units, the Manager shall give the Trustee and all affected unitholders one month's notice (or such other notice period as required by the SFC) of its determination to cancel that Class and the new Class of units to be issued in substitution therefor (if any).

Currency Hedged Classes

For details of Currency Hedged Class of the Fund, please refer to the sections entitled "Currency Hedged Classes" and "AUD Hedged Class/CAD Hedged Class/EUR Hedged Class/GBP Hedged Class/HKD Hedged Class/NZD Hedged Class/RMB Hedged Class/SGD Hedged Class/USD Hedged Class" respectively in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

DISTRIBUTION POLICY

The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval and one month's prior notice to the relevant unitholders.

Classes with the suffix "(acc)"

Classes with the suffix "(acc)" are accumulation Classes and will not normally pay distributions. All income will be accumulated and reinvested within the corresponding Classes of the Fund.

Other Classes

It is the intention of the Manager to have at least 85 per cent. of the income attributable to the following Classes respectively in respect of each accounting period, after charging the expenses attributable to these Classes respectively, to be distributed to unitholders of these Classes respectively:

Class
JPMorgan Multi Income (mth) - AUD (hedged)
JPMorgan Multi Income (mth) - CAD (hedged)
JPMorgan Multi Income (mth) - EUR (hedged)
JPMorgan Multi Income (mth) - GBP (hedged)
JPMorgan Multi Income (mth) - HKD
JPMorgan Multi Income (mth) - NZD (hedged)
JPMorgan Multi Income (mth) - RMB (hedged)
JPMorgan Multi Income (mth) - SGD (hedged)
JPMorgan Multi Income (mth) - USD
JPMorgan Multi Income - Class C (mth) - USD

It is the intention of the Manager to make distributions on a monthly basis or/and such other time as the Manager may, with the prior approval of the Trustee, notify to unitholders. The Manager expects to be able to pay distributions from its income generated by the Fund from its investment, but in the event that such income is insufficient to pay distributions as it declares, the Manager may in its discretion determine that such distributions may be paid from capital. Please also refer to the risk factor entitled "Payment of distributions out of capital risk".

Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[#].

The transferee of a unit will be entitled to a distribution in respect of such unit if the Registrar has received a valid instrument of transfer (duly stamped if required) in respect of the unit by 3:30 p.m. (Hong Kong time) on the last cum distribution dealing date. The subscriber of a unit shall be entitled to a distribution in respect of such unit if the application for the unit is received by the Manager by 5:00 p.m. (Hong Kong time) on the last cum distribution dealing date.

[#] The website has not been reviewed by the SFC.

Reinvestment of Distributions

It is the Manager's current policy to reinvest automatically any distributions in the subscription of further units of the corresponding Class of units of the Fund, unless unitholders notify the Manager otherwise in writing and the amount of the relevant distribution equals to or exceeds US$250 (or its equivalent in another currency). Such further units will be issued on the date of distribution, or if that is not a dealing day, on the next following dealing day. No initial charge will be made on the issue of such further units. In the event that a unitholder redeems or switches its entire holding of the relevant Class before the actual payment date of any distributions, the Manager will redeem the reinvested units on the actual payment date and pay the redemption proceeds to the unitholder in cash if the reinvested units do not meet the relevant minimum holding requirement.

Payment of Distributions by cheque

For unitholders who have notified the Manager in writing to receive payment of distributions instead of having the distributions reinvested automatically in the subscription of further units (except for unitholders of the RMB denominated Class), payment will be made by cheque in the offering currency of the relevant Class and sent, at the risk of the persons entitled thereto, to such persons at the address (or first address in the case of any joint holding) shown in the register of unitholders or as they may direct. Any distribution which is not claimed for six years will be forfeited and becomes part of the assets of the relevant Class (and in case such relevant Class has been terminated, the Fund).

Payment of Distributions by telegraphic transfer

For unitholders of the RMB denominated Class who have notified the Manager in writing to receive payment of distributions instead of having the distributions reinvested automatically in the subscription of further units, payment will normally be made by telegraphic transfer, unless otherwise agreed by the Manager. Unitholders may be liable for any bank charges on payment by telegraphic transfer. Notwithstanding the aforesaid, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, the Manager may pay distributions in USD.

BASES OF VALUATIONS

The method of establishing the net asset value of each Class is set out in the Trust Deed. The net asset value per unit of each Class is calculated by dividing the value of the assets of that Class, less liabilities of that Class, by the total number of units of that Class in issue as at 5:00 p.m. (Hong Kong time) on the immediately preceding dealing day or such other time agreed between the Manager and the Trustee. Any rounding adjustment arising in respect thereof will be retained by the relevant Class. In general, quoted investments are valued at their closing price and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Manager or a professional person engaged for this purpose. Interest and other income and liabilities are, where practicable, accrued from day to day. Such valuations will be expressed in the offering currency of the relevant Class. The Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

Market volatility may result in a discrepancy between the latest available net asset value for each Class and the fair value of the assets of the relevant Class. Certain investors might exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on redemption, other unitholders may suffer a dilution in the value of their investment. As a safeguard against such exploitation, the Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the net asset value of the relevant Class or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders. It should be noted that the bases of valuations adopted by the relevant Class and the Fund may not be the same as the accounting principles generally accepted in Hong Kong. Further details are set out in the section entitled "Reports and Accounts" below.

DEALING

For details of the dealing procedure of the Fund, please refer to the section entitled "DEALING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SUBSCRIPTIONS

The Fund is denominated in US dollars.

The section entitled "SUBSCRIPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

Initial Issue Price

The first issue of units of the existing Classes were made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Multi Income (mth) - AUD (hedged)	AU$10.00
JPMorgan Multi Income (mth) - CAD (hedged)	CA$10.00
JPMorgan Multi Income (mth) - EUR (hedged)	EUR10.00
JPMorgan Multi Income (mth) - GBP (hedged)	GBP10.00
JPMorgan Multi Income (mth) - HKD	HK$10.00
JPMorgan Multi Income (mth) - RMB (hedged)	RMB10.00
JPMorgan Multi Income (mth) - NZD (hedged)	NZ$10.00
JPMorgan Multi Income (mth) - SGD (hedged)	SG$10.00
JPMorgan Multi Income (mth) - USD	US$10.00
JPMorgan Multi Income (acc) - RMB (hedged)	RMB10.00
JPMorgan Multi Income (acc) - USD	US$10.00
JPMorgan Multi Income - Class C (mth) - USD	US$10.00

In addition, the first issue of units of the following classes will be made at the prices below, excluding the initial charge:

Class	Initial issue price per unit, excluding the initial charge
JPMorgan Multi Income (acc) - HKD	HK$10.00
JPMorgan Multi Income - Class C (acc) - USD	US$10.00

REDEMPTIONS

For details of redemptions of the Fund, please refer to the section entitled "REDEMPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SWITCHING

For details on how to switch between Classes of units within the same Fund or between the Fund and other funds managed by the Manager or in respect of which the Manager acts as Hong Kong Representative, please refer to the section entitled "SWITCHING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

FEES, CHARGES AND LIABILITIES

Initial and Redemption Charges

The Manager may make an initial charge for each Class (normally up to 5 per cent. of the net asset value per unit of the relevant Class) from the gross subscription amount on the issue of units where applicable.

The Manager does not currently levy any redemption charge for the Fund.

The Manager reimburses approved intermediaries, which include banks, brokers, recognised securities dealers and other investment advisers (collectively, "Distributors"), a proportion of the commissions, fees, charges or other benefits received by it on the value of the relevant business introduced to the Fund.

Management Fee

The Manager is entitled to receive a management fee of up to 2.5 per cent. per annum of the net asset value of each Class. However, the Manager currently receives a fee of 1.25 per cent. per annum of the net asset value of each Class other than Class C. For Class C, the Manager currently receives a fee of 0.6 per cent. per annum of the net asset value of each Class. The Manager may only increase the level of its fee (which may not exceed 2.5 per cent. per annum of the net asset value of each Class), by giving to the Trustee and unitholders not less than one month's notice of the increased level of management fee. The management fee shall accrue daily based on the net asset value of that Class on each dealing day and shall be payable monthly in arrears. If the assets of the Fund include interests in any unit trust or other collective investment scheme managed by the Manager or its

Connected Persons, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the relevant Class' interest in such unit trust or scheme. Where the Fund invests in any underlying scheme(s) managed by the Manager, the Investment Manager and/or the Sub-Managers or any of their Connected Persons, all initial charges and redemption charges on the underlying scheme(s) shall be waived. The Manager, the Investment Manager and/or the Sub-Managers of the Fund may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company.

The fees of the Investment Manager will be borne by the Manager. The fees of the Sub-Managers will be borne by the Investment Manager.

Trustee Fee

The Trustee is entitled to receive a trustee fee of up to 0.2 per cent. per annum of the net asset value of the Fund. However, the Trustee currently receives a trustee fee at the following rates of the Fund's net asset value:-

	Rate (per annum)
On the first US$40,000,000	0.06%
On the next US$30,000,000	0.04%
On the balance over US$70,000,000	0.025%

The Trustee may only increase the level of its fee (which may not exceed 0.2 per cent. per annum) with the agreement of the Manager and by giving to the unitholders not less than one month's notice of the increased level of trustee fee. The trustee fee shall accrue daily based on the net asset value of the Fund on each dealing day and shall be payable monthly in arrears.

For details of the current fees and charges in respect of dealings made through any other channels from time to time specified by JPMorgan Funds (Asia) Limited, please consult JPMorgan Funds (Asia) Limited.

Fiscal Charges

For details of the fiscal charges policy of the Fund, please refer to the sub-section entitled "Fiscal Charge" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Other Liabilities

Save for the cost of establishing the Fund, details under the sub-section entitled "Other Liabilities" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

There are no unamortised establishment costs outstanding relating to this Fund.

CONFLICTS OF INTEREST

For details of the Manager's current policy on conflicts of interest, please refer to the section entitled "CONFLICTS OF INTEREST" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

TAXATION

The following sub-sections under Section D – TAX NOTES of the Consolidated Explanatory Memoranda apply to the Fund:

(i) "(i) General";

(ii) the sub-paragraph entitled "Hong Kong" under the sub-section entitled "(ii) Taxation of Funds in their Country/Region of Formation"; and

(iii) "(iii) Taxation of Unitholders".

REPORTS AND ACCOUNTS

For details of the reports and accounts of the Fund, please refer to the section entitled "REPORTS AND ACCOUNTS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

GENERAL

The general provisions under the section entitled "GENERAL" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to the Fund.

MANAGEMENT AND ADMINISTRATION DIRECTORY

Manager and Service Provider

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Trustee

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Directors of JPMorgan Funds (Asia) Limited

Chan, Tsun Kay, Edwin
Ebrahim, Ayaz
Leung, Kit Yee, Elka
Roberts, Ioan William
Watkins, Daniel James

Registrar

HSBC Trustee (Cayman) Limited
PO Box 484
HSBC House
68 West Bay Road
Grand Cayman
KY1-1106 Cayman Islands

Investment Manager

JPMorgan Asset Management (Asia Pacific) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Auditors

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
1 Des Voeux Road Central
Hong Kong

Sub-Managers

J.P. Morgan Investment Management Inc.
383 Madison Avenue
New York, NY10179
United States of America

JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London
EC4Y 0JP
United Kingdom

Additional information is available from: -

JPMorgan Funds (Asia) Limited
GPO Box 11448
Hong Kong

Telephone: (852) 2265 1188
Facsimile: (852) 2868 5013

JPMorgan Vietnam Opportunities Fund

INTRODUCTION

JPMorgan Vietnam Opportunities Fund ("Fund") is a unit trust constituted by a Trust Deed dated 15 August 2006, as amended from time to time ("Trust Deed") governed by the laws of Hong Kong. The Fund has been authorised as a collective investment scheme in the form of a unit trust by the Securities and Futures Commission ("SFC") under Section 104 of the *Securities and Futures Ordinance* (Cap. 571 of the Laws of Hong Kong) ("SFO") and the Code on Unit Trusts and Mutual Funds ("SFC Code"). SFC authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Fund's portfolio is subject to market fluctuations and exchange rate fluctuations and to the risks inherent in all investments. Therefore, the value of the Fund and the level of distributions (if any) may go down as well as up.

The Fund is highly concentrated and specialised investing primarily in the Vietnam market which is currently very small and considered to be an emerging market. Investors should be aware that the Fund is likely to be more volatile than a broad-based fund as it is more susceptible to fluctuations in value resulting from adverse conditions in the countries in which it invests. Therefore, investment in the Fund should be regarded as long term in nature and suitable for investors who can afford the risks involved.

FUND PARTIES

The Fund is managed by JPMorgan Funds (Asia) Limited ("Manager"), a company incorporated with limited liability under the laws of Hong Kong.

Day-to-day investment management of the Fund has been delegated to JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Limited) ("Investment Manager"), a company incorporated with limited liability in Hong Kong.

The Investment Manager has in turn delegated the investment management role to JPMorgan Asset Management (Singapore) Limited (the "Sub-Manager").

HSBC Institutional Trust Services (Asia) Limited acting as trustee of the Fund ("Trustee"), is incorporated in Hong Kong and is registered as a trust company under the Trustee Ordinance in Hong Kong. The Trustee is an indirect wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. Under the Trust Deed, the Trustee is responsible for the safe-keeping of the Fund's investments. The HSBC Group has adopted a policy of compliance with the sanctions issued by The Office of Foreign Assets Control of the US Department of the Treasury.

Please refer to the section entitled "FUND PARTIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds in relation to the liabilities of each of the parties described herein.

HSBC Trustee (Cayman) Limited is the registrar of the Fund ("Registrar") and is incorporated with limited liability in the Cayman Islands. The Registrar is responsible for keeping the register of unitholders.

INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS

Investment Objective and Policy

The investment objective of the Fund is to provide investors with long-term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in equity securities of companies either (i) domiciled or listed on a stock exchange in Vietnam, or (ii) with actual or prospective operations, assets or investments, direct or indirect, in Vietnam in an aggregate amount of not less than either US$50 million or 10 per cent. of the gross assets of the investing company (albeit such operations, assets or investments may at the time of investment be immaterial to the financial results of such company). The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

Since the Vietnam Stock Exchange is currently very small and illiquid, investors should be aware that while waiting for additional investment opportunities in the form of new issues listed in Vietnam, the Fund will also be invested in other companies which, whilst they have an interest in Vietnam, may have the vast majority of their business elsewhere. However, the Manager, the Investment Manager and/or the Sub-Manager will invest in such companies only if it believes that material incremental growth in revenues or earnings might be expected to be derived from Vietnam within the foreseeable future.

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.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

The investment objective, policy and investment restrictions and guidelines of the Fund may, subject to the approval of the Trustee and/or the SFC (as applicable), vary from time to time when the Manager considers appropriate in the circumstances.

Investment Restrictions and Guidelines

The Fund may invest in anything into which a person may invest, subject to the investment restrictions as stipulated in the section entitled "Investment Restrictions and Guidelines" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

In addition, the value of the Fund's holding of securities of companies which are either (a) domiciled or listed on a stock exchange in Vietnam, or (b) with actual or prospective operations, assets or investments, direct or indirect, in Vietnam in an aggregate amount of not less than either US$50 million or 10 per cent. of the gross assets of the investing company, shall not be less than 70 per cent. of its total net asset value in securities and other investments.

Borrowing and Leverage

For information about the borrowing and leverage of the Fund, please refer to the section entitled "Borrowing and Leverage" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

Securities Financing Transactions Policy

For details of the securities financing transactions policy of the Fund, please refer to the section entitled"Securities Financing Transactions Policies" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

RISKS

The performance of the Fund will be affected by a number of risk factors, including the risk factors as set out in the section entitled "RISKS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

In addition, the following risk factors are applicable to the Fund:

(i) Vietnam market risk – In addition to "emerging markets risks" set out in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds, investments in Vietnam are also currently exposed to risks pertaining to the Vietnamese market. These include risks brought about by current investment ceiling limits where foreign investors are subject to certain holding limits; potential change of the current market mechanism which may involve the conversion of the existing two securities trading centres and the depository centre from a state agency to a business-oriented legal entity; and constraints currently imposed on trading of listed securities where a registered foreign investor may only maintain a trading account with one licensed securities company in Vietnam. These may contribute to the illiquidity of the Vietnamese securities market, create inflexibility and uncertainty on the trading environment.

(ii) Legal risk – The economy of Vietnam is substantially less developed than those of other geographic regions such as the United States and Europe. The laws and regulatory apparatus affecting the economy are also in a relatively early stage of development and are not as well established as the laws and the regulatory apparatus of regions such as the United States and Europe. Vietnamese securities laws and regulations are still in their development stage and not drafted in a very concise manner which may be subject to interpretation. In the event of a securities related dispute involving a foreign party, the laws of Vietnam shall apply (unless an applicable international treaty provides otherwise). The Vietnamese court system is not as transparent and effective as court systems in more developed countries and there can be no assurance of obtaining effective enforcement of rights through legal proceedings in Vietnam and generally the judgements of foreign courts are not recognised.

(iii) Regulatory risk – Foreign investment in Vietnam's primary and secondary securities markets is still relatively new and much of Vietnam's existing securities laws are ambiguous and/or have been developed to regulate direct investment by foreigners rather than portfolio investment. Investors should note that because of a lack of precedent, securities market laws and

the regulatory environment for primary and secondary market investments by foreign investors are in the early stages of development, and remain untested.

The regulatory framework of the Vietnam primary and secondary securities markets is still in the development stage compared to many of the world's leading stock markets, and accordingly there may be a lower level of regulatory monitoring of the activities of the Vietnam primary and secondary securities markets.

(iv) Tax risk – Regarding investment in securities, there are various tax issues which remain unclear and might be the subject of clarification by the Vietnam government (see section entitled "TAXATION" below for a more detailed discussion on the current tax position of the Fund).

(v) Foreign exchange risk – The Vietnamese Dong ("VND") is a controlled currency, with an official US$/VND reference exchange rate set by the State Bank of Vietnam ("SBV") on a daily basis. Interbank rates are allowed to fluctuate within a specified band which may be higher or lower than the SBV's published official rate. Investors should note the risks of limited liquidity in the Vietnam foreign exchange market.

In view of the above, investment in the Fund should be regarded as long term in nature. The Fund is, therefore, only suitable for investors who can afford the risks involved.

CLASSES OF UNITS

Pursuant to the Trust Deed, the Manager may decide to issue separate classes (each a "Class") whose assets will be commonly invested but where a specific fee structure, currency or distribution policy may be applied. Each Class may have a different charging structure with the result that the net asset value attributable to each Class may differ.

Currently, the following Classes are available:

Class	Class Currency
JPMorgan Vietnam Opportunities (acc) - USD	US dollars
JPMorgan Vietnam Opportunities - Class C (acc) - USD	US dollars

The Manager also has the power under the Trust Deed to cease to offer any Class (either temporarily or permanently). The Manager shall be entitled to cancel all units of a particular Class then in issue if at any time the net asset value of that Class falls below US$5 million (or its equivalent in another currency) or at any time with the sanction of an Extraordinary Resolution. In such event, the Manager shall issue to the affected unitholders units of an equivalent value of such other existing Class (if any) as the Manager may in its absolute discretion determine. Prior to such cancellation and issue of units, the Manager shall give the Trustee and all affected unitholders one month's notice (or such other notice period as required by the SFC) of its determination to cancel that Class and the new Class of units to be issued in substitution therefor (if any).

DISTRIBUTION POLICY

All income will be accumulated and reinvested within the Fund. Although the Trust Deed contains provisions under which the Manager has the discretion to determine the amount to be distributed to unitholders, it is not the current intention of the Manager that such distribution will be made.

BASES OF VALUATIONS

On each dealing day, the Manager shall calculate the net asset value of each Class as at the close of business in the relevant markets where such assets are primarily traded on such dealing day in accordance with the method of establishing the net asset value of each Class as set out in the Trust Deed. The net asset value per unit of each Class is calculated by dividing the value of the assets of that Class, less the liabilities of that Class, by the total number of units of that Class in issue as at 5:00 p.m. (Hong Kong time) on the immediately preceding dealing day or such other time agreed between the Manager and the Trustee. Any rounding adjustment arising in respect thereof will be retained by the relevant Class. In general, quoted investments are valued at their closing price and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Manager or a professional person engaged for this purpose. Interest and other income and liabilities are, where practicable, accrued from day to day. Such valuations will be expressed in the offering currency of the relevant Class. The Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the value of any investment if it considers that such adjustment is required to reflect more accurately the fair value of the relevant investment.

Market volatility may result in a discrepancy between the latest available net asset value for each Class and the fair value of the assets of the relevant Class. Certain investors might exploit this discrepancy. By these investors paying less than the fair value for units on issue, or receiving more than the fair value on redemption, other unitholders may suffer a dilution in the value of their investment. As a safeguard against such exploitation, the Manager may, with due care, skill and diligence, in good faith, and in consultation with the Trustee, adjust the net asset value of the relevant Class or of a unit, if it considers that such adjustment is required to reflect more accurately the fair value of the net asset value. Such adjustment shall be made in good faith, with the Manager taking into account the best interests of unitholders. It should be noted that the bases of valuations adopted by the relevant Class and the Fund may not be the same as the accounting principles generally accepted in Hong Kong. Further details are set out in the section entitled "Reports and Accounts" below.

DEALING

For details of the dealing procedure of the Fund, please refer to section entitled "DEALING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SUBSCRIPTIONS

The Fund is denominated in US dollars.

The section entitled "SUBSCRIPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

Initial Issue Price

The first issue of units of JPMorgan Vietnam Opportunities (acc) - USD and JPMorgan Vietnam Opportunities - Class C (acc) - USD were made at a price of US$10.00 per unit, excluding the initial charge.

In addition, please note that the maximum allowed aggregate holding for each investor is 5 per cent. of the Fund's net asset value. The Manager may waive or alter the above provisions at its sole discretion.

REDEMPTIONS

Save for the procedure on payment of redemption monies set out in the sub-section entitled "Procedure for Redemption" below, the section entitled "REDEMPTIONS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

Procedure for Redemption

The procedure on payment of redemption monies which applies to this Fund is set out below.

The amount due on the redemption of units will normally be paid within fourteen business days and in any event not later than one calendar month after the date of actual receipt by the Manager of a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require. Failure to provide such information may delay payment of redemption proceeds. Payment will normally be made by telegraphic transfer where the unitholder has provided payment details for this purpose. Unitholders may be liable for any bank charges on payment by telegraphic transfer. Where the unitholder has not provided bank payment details or where the redemption amount is less than US$1,000 or its equivalent in another currency, redemption proceeds will normally be paid by cheque, posted at the risk of the unitholder. No third party payments will be made.

Suspension of Redemptions

For details of the Manager's current policy on suspension of redemptions, please refer to the section entitled "REDEMPTIONS – Suspension of Redemptions" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

SWITCHING

For details on how to switch between Classes of units within the same Fund or between the Fund and other funds managed by the Manager or in respect of which the Manager acts as Hong Kong representative, please refer to the section entitled "SWITCHING" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

FEES, CHARGES AND LIABILITIES

Initial and Redemption Charges

The Manager may make an initial charge for each Class (normally up to 5 per cent. of the net asset value per unit of the relevant Class) from the gross subscription amount on the issue of units where applicable and a redemption charge for each Class (normally up to 0.5 per cent. of the net asset value per unit of the relevant Class) from the redemption monies on the cancellation or redemption of units where applicable. However, the Manager does not currently levy any redemption charge.

The Manager reimburses approved intermediaries, which include banks, brokers, recognised securities dealers and other investment advisers (collectively, "Distributors"), a proportion of the commissions, fees, charges or other benefits received by it on the value of the relevant business introduced to the Fund.

Management Fee

The Manager is entitled to receive a management fee of up to 2.5 per cent. per annum of the net asset value of each Class. However, the Manager currently receives a fee of 1.5 per cent. per annum of the net asset value of each Class other than Class C. For Class C, the Manager currently receives a fee of 0.75 per cent. per annum of the net asset value of each Class. The Manager may only increase the level of its fee (which may not exceed 2.5 per cent. per annum of the net asset value of each Class) by giving to the Trustee and unitholders not less than one month's notice of the increased level of management fee. The management fee shall accrue daily based on the net asset value of that Class on each dealing day and shall be payable monthly in arrears. If the assets of the Fund include interests in any unit trust or other collective investment scheme managed by the Manager or its Connected Persons, the fee of the Manager will be reduced to take account of the management fee levied in respect of such unit trust or scheme to the extent attributable to the relevant Class' interest in such unit trust or scheme. Where the Fund invests in any underlying scheme(s) managed by the Manager, the Investment Manager and/or the Sub-Manager or any of their Connected Persons, all initial charges and redemption charges on the underlying scheme(s) shall be waived. The Manager, the Investment Manager and/or the Sub-Manager of the Fund may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company.

The fees of the Investment Manager will be borne by the Manager. The fees of the Sub-Manager will be borne by the Investment Manager.

Trustee Fee

The Trustee is entitled to receive a trustee fee of 0.2 per cent. per annum of the net asset value of the Fund which will be calculated before deduction of any management fee and trustee fee accruing to or on the relevant dealing day. However, the Trustee currently receives a trustee fee at the following rates of the Fund's net asset value which is calculated before deduction of any management fee and trustee fee accruing to or on the relevant dealing day:-

	Rate (per annum)
On the first US$40,000,000	0.06%
On the next US$30,000,000	0.04%
On the balance over US$70,000,000	0.025%

The Trustee may only increase the level of its fee (which may not exceed 0.2 per cent. per annum) with the agreement of the Manager and by giving to the unitholders not less than one month's notice of the increased level of trustee fee. The trustee fee shall accrue daily based on the net asset value of the Fund on each dealing day and shall be payable monthly in arrears. For this purpose, the net asset value shall be calculated before deduction of any management fee and trustee fee accruing to or on the relevant dealing day.

For details of the current fees and charges in respect of dealings made through any other channels from time to time specified by JPMorgan Funds (Asia) Limited, please consult JPMorgan Funds (Asia) Limited.

Other Liabilities

Save for the cost of establishing the Fund, details under the sub-section entitled "Other Liabilities" under the section entitled "FEES, CHARGES AND LIABILITIES" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

There are no unamortised establishment costs outstanding relating to this Fund.

CONFLICTS OF INTEREST

For details of the Manager's current policy on conflicts of interest, please refer to the section entitled "CONFLICTS OF INTEREST" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

TAXATION

The following sub-sections under Section D – TAX NOTES of the Consolidated Explanatory Memoranda apply to the Fund:

(i) "(i) General";

(ii) the sub-paragraph entitled "Hong Kong" under the sub-section entitled "(ii) Taxation of Funds in their Country/Region of Formation";

(iii) "(iii) Taxation of Unitholders"; and

(iv) the sub-paragraph entitled "Vietnam" under the sub-section entitled "(iv) Investment Markets".

REPORTS AND ACCOUNTS

For details of the reports and accounts of the Fund, please refer to the section entitled "REPORTS AND ACCOUNTS" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds.

GENERAL

The general provisions under the section entitled "GENERAL" in Section A of the Consolidated Explanatory Memoranda of Asia Pacific Equity Funds shall apply to this Fund.

MANAGEMENT AND ADMINISTRATION DIRECTORY

Manager and Service Provider

JPMorgan Funds (Asia) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Trustee

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Directors of JPMorgan Funds (Asia) Limited

Chan, Tsun Kay, Edwin
Ebrahim, Ayaz
Leung, Kit Yee, Elka
Roberts, Ioan William
Watkins, Daniel James

Registrar

HSBC Trustee (Cayman) Limited
PO Box 484
HSBC House
68 West Bay Road
Grand Cayman KY1-1106
Cayman Islands

Investment Manager

JPMorgan Asset Management (Asia Pacific) Limited
21st Floor, Chater House
8 Connaught Road Central
Hong Kong

Auditors

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
1 Des Voeux Road Central
Hong Kong

Sub-Manager

JPMorgan Asset Management (Singapore) Limited
168 Robinson Road
17th Floor, Capital Tower
Singapore 068912

Additional information is available from: -

JPMorgan Funds (Asia) Limited
GPO Box 11448
Hong Kong

Telephone: (852) 2265 1188
Facsimile: (852) 2868 5013

SECTION D – TAX NOTES

(i) General

The Consolidated Explanatory Memoranda are not intended to provide a comprehensive guide to the taxation treatment of investors. The Consolidated Explanatory Memoranda are intended as a general guide only and do not necessarily describe the tax consequences for all types of investors in the Funds and no reliance, therefore, should be placed upon them. All prospective unitholders, and in particular those from jurisdictions other than those specifically referred to below or of classifications not referred to below should inform themselves of, and take their own advice on, the taxes applicable to the subscription, holding, transfer and redemption of units, and any distribution (each, a "Relevant Event") under the laws of the place of their operation, domicile, residence, citizenship and/or incorporation. Neither the Funds nor any of the parties listed in the section entitled "MANAGEMENT AND ADMINISTRATION DIRECTORY" of the Consolidated Explanatory Memoranda give or make any warranty and/or representation as to the tax consequences in relation to any Relevant Event (or combination of Relevant Events), take any responsibility for any tax consequences in relation to any Relevant Event (or combination of Relevant Events), and each of the Funds and such parties expressly disclaim any liability whatsoever for any tax consequences in relation to any Relevant Event (or combination of Relevant Events) and/or for any loss howsoever arising (whether directly or indirectly) from any Relevant Event (or combination of Relevant Events).

Dividends, interest income, gains on the disposal of investments and other income received by a Fund or by any collective investment schemes in which it invests or on a Fund's investments in some countries may be liable to the imposition of income tax, irrecoverable withholding tax or other tax. Where commercially feasible, the Fund will seek to obtain a reduction in the rate of withholding tax or relief under an applicable tax treaty.

In some jurisdictions that the Funds invest in there may be uncertainty as to: the interpretation and implementation of the current tax rules; the tax rules being changed; and taxes being applied retrospectively. Therefore, any provision for taxation made by the Manager may be excessive or inadequate to meet final tax liabilities and any penalties and interest. Consequently, investors may be advantaged or disadvantaged depending upon the final outcome of how such gains will be taxed, the level of provisioning and when they subscribed for and/or redeemed their units in/from the Funds.

The tax notes that are set out in this Section apply to the Funds in the Consolidated Explanatory Memoranda (as the case may be) and are based on the law and practice currently in force as at the date of the Consolidated Explanatory Memoranda and are subject to changes in content and interpretation.

US tax withholding and reporting under the Foreign Account Tax Compliance Act ("FATCA")

(a) Funds domiciled in Hong Kong

Under the FATCA provisions of the US Hiring Incentives to Restore Employment ("HIRE") Act, 30% US withholding may be levied on certain US sourced income received (for the Funds, principally dividends and interest paid by US corporations and institutions including the US Government) unless the Funds are considered FATCA-compliant. The Funds are established in Hong Kong and are subject to a Model 2 Intergovernmental Agreement signed between Hong Kong and the US ("Hong Kong IGA"). Under the Hong Kong IGA and applicable US Treasury Regulations, FATCA compliance can be achieved (i) by being subject to the terms of an Foreign Financial Institution ("FFI") agreement with the US Internal Revenue Service ("IRS") under which the Funds would, among other things, conduct certain due diligence on investors and provide certain US tax reporting to the IRS with respect to the holdings of and payments to certain investors in the Funds (such as certain "Specified US Persons" as defined in the US Treasury Regulations under FATCA, or certain non-US entities owned by certain Specified US Person(s) – see page 1 of the Preamble to the Consolidated Explanatory Memoranda), or (ii) by a "sponsoring entity" agreeing to perform, on behalf of the Funds, such due diligence and reporting. The Hong Kong IGA modifies certain FATCA requirements set forth in the US Treasury Regulations but generally requires similar information to be disclosed by the FFI to the IRS. The Manager is the "sponsoring entity" for the Funds, which are registered as "Sponsored Investment Entities" and treated as "Non-Reporting IGA FFIs" under the Hong Kong IGA and are therefore "registered deemed-compliant FFIs" for FATCA purposes. The Funds are unlikely to be subject to 30% FATCA withholding on US sourced income paid to the Funds and are also not expected to impose FATCA withholding on any payments made to investors until such time as additional US Treasury Regulations may be issued. If in the unlikely event where the Funds were unable to satisfy the obligations imposed on them to avoid the imposition of FATCA withholding, certain US sourced income paid to the Funds may be subject to a 30% FATCA withholding, which could have adverse impact on the Funds (e.g. reduction in cash available for investors) and result in a decrease in the net asset value per unit of the Funds which may give rise to material loss to investors. Any amounts withheld under FATCA may not be refundable by the IRS.

Prospective investors should consult their own tax advisers regarding (i) the possible implications of FATCA on the Funds established in Hong Kong and on their investment in the Funds based on their particular circumstances and (ii) the information that may be required to be provided and disclosed to the Funds' Manager, the Funds and distributors, and in certain circumstances ultimately to the IRS. Prospective investors may also be affected by FATCA rules as implemented in jurisdictions other than Hong Kong. The application of the FATCA rules and the information that may be required to be reported and disclosed are subject to change.

(b) Funds domiciled in Mauritius

(JPMorgan India Fund and JPMorgan Smaller Companies India Fund)

Under the FATCA provisions of the US HIRE Act, 30% US withholding may be levied on certain US sourced income received (for the Funds, principally dividends and interest paid by US corporations and institutions including the US Government) unless the Funds are considered FATCA-compliant. The Funds are established in Mauritius, which signed an Intergovernmental Agreement with the US on 27 December 2013 ("Mauritius IGA"). FATCA compliance can be achieved (i) by the Funds being subject to Mauritius-enacted legislation and local guidance under which the Funds would, among other things, conduct due diligence on investors and report to the Mauritius Revenue Authority ("MRA") holdings of and payments to certain investors in the Funds, or (ii) by a "sponsoring entity" agreeing to perform, on behalf of the Funds, such due diligence and reporting. Investors reported on include certain US investors and certain non-US entities owned by US persons. The MRA will transmit the reported information to the IRS. JPMFAL is the "sponsoring entity" for the Funds, which are registered as "Sponsored Investment Entities" and treated as "Non-Reporting Mauritius Financial Institutions" under the Mauritius IGA and are therefore "deemed-compliant FFIs" for FATCA purposes. The Funds are unlikely to be subject to 30% FATCA withholding on US sourced income paid to the Funds and are also not expected to impose FATCA withholding on any payments made to investors until such time as additional US Treasury Regulations are issued. If in the unlikely event where the Funds were unable to satisfy the obligations imposed on them to avoid the imposition of FATCA withholding, certain US sourced income paid to the Funds may be subject to a 30% FATCA withholding, which could have adverse impact on the Funds.

Prospective investors should consult their own tax advisers regarding (i) the possible implications of FATCA on the Funds established in Mauritius and on their investment in the Funds based on their particular circumstances and (ii) the information that may be required to be provided and disclosed to JPMFAL, the Funds and distributors, and in certain circumstances ultimately to the MRA and the IRS. Prospective investors may also be affected by FATCA rules as implemented in jurisdictions other than Mauritius. The application of the FATCA withholding rules and the information that may be required to be reported and disclosed are subject to change.

Any discussion of US federal income tax considerations set forth in this Explanatory Memorandum was written in connection with the promotion and marketing of the units by the Funds and JPMFAL. Such discussion is not intended or written to be tax advice to any person. A prospective investor should seek advice from its own tax advisor with respect to its own FATCA status and the effect of implementation of FATCA based on its particular circumstances.

Common Reporting Standard ("CRS")

(a) Funds domiciled in Hong Kong

The Hong Kong Inland Revenue (Amendment) (No.3) Ordinance 2016 (the "Ordinance") came into force on 30 June 2016. This is the legislative framework for the implementation in Hong Kong of CRS. CRS generally requires financial institutions ("FIs") in Hong Kong to collect information relating to their account holders' tax residence jurisdictions and report such information to the Hong Kong Inland Revenue Department ("IRD"), to enable the IRD to exchange such information with certain such tax residence jurisdictions. Generally, tax information will be exchanged with jurisdictions with which Hong Kong has a Competent Authority Agreement ("CAA") in place regarding CRS. Hong Kong is a party to the Multilateral CAA regarding CRS. However, the Funds and/or their agents may also collect information relating to tax residents of other jurisdictions.

The Funds are required to comply with the requirements of CRS as implemented by Hong Kong, which means that the Funds and/or their agents will collect and provide to the IRD certain tax information relating to investors in the Funds.

The CRS rules as implemented by Hong Kong require a Fund to, amongst other things: (i) register the Fund's status as a "Reporting Financial Institution" with the IRD, (ii) conduct due diligence on its account holders (i.e., investors) to identify whether any such accounts are considered "Reportable Accounts" for CRS purposes, and (iii) report to the IRD information on such Reportable Accounts. The IRD is expected on an annual basis to transmit the information reported to it to the government authorities of the relevant jurisdictions with which Hong Kong has signed a CAA and in which holders of the relevant Reportable Accounts are tax resident. In general, CRS contemplates that Hong Kong FIs would report on: (i)

individual or entity account holders that are tax resident in jurisdictions with which Hong Kong has signed a CAA, and (ii) individuals who control certain entity account holders and who are tax resident in such jurisdictions. Under the Ordinance, details of investors, including but not limited to their name, address, tax residence jurisdictions, taxpayer identification numbers, their holdings, payments made by a Fund to them and information on certain investors' beneficial owners, may be reported to the IRD and subsequently exchanged by the IRD with government authorities in the relevant tax residence jurisdictions.

(b) Funds domiciled in Mauritius
(JPMorgan India Fund and JPMorgan Smaller Companies India Fund)

Similar laws and provisions as outlined above for funds domiciled in Hong Kong also apply to the Mauritius domiciled Funds.

Prospective investors should consult their own tax advisers regarding the possible implications of CRS on the Funds and on their investment in the Funds based on their particular circumstances.

By investing in the Funds and/or continuing to invest in the Funds, investors acknowledge that they may be required to provide additional information to the Funds, the Manager and/or the Funds' agents in order for the Funds to comply with CRS, FATCA and the Hong Kong and Mauritius IGAs. The investors' information (and information on beneficial owners, beneficiaries, direct or indirect shareholders or other persons associated with certain entity investors), may be communicated by the IRD or the MRA to authorities in other jurisdictions or by the Funds or the Manager to the IRS.

(ii) Taxation of Funds in their Country/Region of Formation

Funds domiciled in the following country/region are taxed as follows:

Hong Kong

The Funds are authorised under Section 104 of the SFO. Therefore, any Hong Kong income or profits they derive will be exempt from Hong Kong profits tax provided that the Funds are carried on in accordance with the purposes stated in their constitutive documents as approved by the SFC and in accordance with the requirements of the SFC.

Mauritius

The Funds are subject to income tax in Mauritius on their chargeable income at 15%. The Funds held a Category 1 Global Business Licence ("GBL") and were entitled to the deemed foreign tax credits. Effective 1 January 2019, the deemed foreign tax credit regime was phased out with the implementation of a new partial exemption regime. The Funds which had obtained GBL before 16 October 2017 are grandfathered and continue to benefit from the deemed foreign tax credit regime up to 30 June 2021. Hence, the Funds are entitled to a foreign tax credit equivalent to 80% of the Mauritian tax on their foreign source income resulting in an effective tax rate of 3%.

Post 30 June 2021, the Funds will be entitled to either a foreign tax credit equivalent to the actual foreign tax suffered or a partial exemption of 80% of the Mauritius tax on some of the foreign sourced income (including dividends and interest income) derived provided that the Funds meet certain substance requirements.

There is no withholding tax in Mauritius on the Funds' distribution to unitholders and no capital gains tax regime. Further, under the Income Tax Act 1995, any profit on sale of shares or securities derived by the Funds and dividends paid by companies resident in Mauritius are exempt from income tax in Mauritius.

(iii) Taxation of Unitholders

Hong Kong

A unitholder will not be liable to Hong Kong profits tax on gains realised on the sale or redemption of units except where the acquisition and disposal of units are or form part of a trade, profession or business carried on by the unitholder in Hong Kong and the gains are Hong Kong sourced and not otherwise of a capital nature. Ascertaining the source and the classification of a gain as revenue or capital will depend on the particular circumstances of the unitholders.

Unitholders also should not be taxed in Hong Kong on distributions of income from the Funds unless derived by a trade, profession or business carried on by the unitholder in Hong Kong and the distributions are Hong Kong sourced and not otherwise of a capital nature.

Unitholders should take advice from their own professional advisers as to their particular tax position.

Mauritius

Mauritian tax resident unitholders (if allowed by the Mauritius FSC to purchase or to hold units in the Funds) should seek their own tax advice on their tax position with regard to their investment in the Funds.

Taiwan

Taiwanese Individual Investors

Under Taiwan Income Tax Law, Taiwanese individuals are only subject to Taiwan income tax on their Taiwan sourced income. Income and capital gains distributed by the Funds, from investing in offshore securities and bonds, are not considered Taiwan sourced income. Further, gains on the disposal of units in the Funds are currently considered to be foreign sourced income and therefore, are not taxed in Taiwan.

However, distributions and gains on the disposal of units in the Funds are subject to Alternative Minimum Tax (AMT). AMT is calculated as 20% of the foreign sourced income subject to AMT (after taking into account the exemption for the first TWD 6.7 million of income). If the AMT is greater than the amount of income tax payable, a taxpayer needs to pay the additional tax on the difference between AMT and regular income tax.

Taiwanese Corporate Investors

Under Taiwan Income Tax Law, Taiwanese corporate investors are subject to Taiwanese corporate income tax on their worldwide income. Therefore, income and capital gains distributed by the Funds, as well as gains derived on the disposal of units in the Funds should be subject to 20% corporate income tax in Taiwan.

Tax credits for the foreign withholding tax suffered on this foreign sourced income are available, subject to certain limitations and the availability of certain documentation.

United Kingdom ("UK")

In respect of the Funds listed in the table below, each Fund is an "offshore fund" for UK tax purposes and is not required to formally apply for "reporting fund status" as the Fund is considered transparent by Her Majesty's Revenue and Customs ("HMRC") and does not invest more than 5% of its assets in other offshore funds which are not themselves reporting funds. Therefore it is a "special category transparent offshore fund" and considered out of scope of the requirements of the offshore fund regime. Each Fund has previously been certified by HMRC in the UK as a "distributing fund" in respect of the period stated in the table below.

	Fund Name	**Period certified by HMRC as "distributing fund"**
1	JPMorgan ASEAN Fund	1 January 1984 - 30 Septemper 2010
2	JPMorgan Asian Smaller Companies Fund	2 December 1991 - 30 September 2010
3	JPMorgan Australia Fund	1 January 1984 - 30 September 2010
4	JPMorgan China Pioneer A-Share Fund	14 June 2006 - 30 September 2010
5	JPMorgan India Fund	23 November 1989 - 30 September 2010
6	JPMorgan Indonesia Fund	19 September 2006 - 30 September 2010
7	JPMorgan Japan (Yen) Fund	1 January 1984 - 30 September 2010
8	JPMorgan Korea Fund	11 December 1991 - 30 September 2010
9	JPMorgan Malaysia Fund	12 December 1989 to 30 September 2010
10	JPMorgan Pacific Securities Fund	1 January 1984 - 30 September 2010
11	JPMorgan Pacific Technology Fund	14 August 1997 - 30 September 2010
12	JPMorgan Philippine Fund	30 June 1987 - 30 September 2010
13	JPMorgan Thailand Fund	8 August 1989 - 30 September 2010

The relevant Fund is transparent for UK income tax purposes and information has been provided to UK investors annually of the amount of their share of the Fund's income, expenses and overseas tax suffered for each financial year from 1 October 2010.

UK tax resident unitholders may be liable to UK tax with respect to income derived through such Fund and gains on sale of units in the Fund. UK tax resident unitholders should seek advice from their own professional advisers in relation to the UK tax implications of their share of the income, expenses and overseas tax suffered from the Fund, and gains derived from their investments in the Fund.

The United States of America

The Funds are passive foreign investment companies ("PFIC") within the meaning of the US Inland Revenue Code ("IRC"), the US tax treatment to U.S. investors (directly or indirectly through their custodian or financial intermediary) under the PFIC provisions of the IRC can be disadvantageous and that the Funds are unlikely to qualify U.S. investors to either elect to mark-to-market their investment in the Funds under IRC § 1296 or elect to treat the Funds as Qualified Electing Funds under IRC §1294.

(iv) Investment Markets

The taxation of the Funds in the key markets in which they invest is as follows:

Australia

Taxation in Australia relies on the concepts of both residency and source. Australian tax residents are subject to tax on their worldwide income. Non-residents for Australian tax purposes are generally only subject to tax on their Australian sourced income and capital gains derived from the disposal of certain assets that are "taxable Australian property". On the basis that the Funds' central management and control are outside Australia and the Trustee is not an Australian resident, the Funds should be non-residents of Australia for tax purposes. Therefore, a liability to Australian tax should only arise in respect of the Funds Australian sourced income and certain capital gains.

Taxation of the Funds

Dividends

Unfranked dividends (i.e. dividends paid from profits to which corporate tax payments have not been attributed) are subject to withholding tax at the rate of 30%. Franked dividends (i.e. dividends paid out of profits to which corporate tax payments have been attributed) and unfranked dividends declared to be 'conduit foreign income' (i.e. non-Australian sourced) should not be subject to Australian withholding tax.

Interest income

Interest income should be subject to withholding tax at the rate of 10%.

Capital gains

The Funds may derive capital gains that, prima facie, are subject to tax in Australia ("an Australian capital gain") and the unitholders may incur a tax liability on their proportionate interest in the Australian sourced capital gain.

A non-resident of Australia for income tax purposes is, however, only subject to capital gains tax in relation to assets that are considered to be "taxable Australian property". Assets which are "taxable Australian property" currently include:

- Real property (e.g. land and buildings) situated in Australia;
- Indirect non-portfolio interests in entities (whether resident in Australia or not) which hold significant Australian real property; and
- Assets used in carrying on a business through a taxable presence (i.e. a permanent establishment) in Australia.

If a non-resident of Australia for tax purposes disposes of certain "taxable Australian property", the purchaser will be required to withhold 12.5% of the purchase price and remit this to the local Australian tax authority, unless an exemption applies such as where the relevant transaction occurred on an approved stock exchange (e.g. the Australian Securities Exchange).

The Funds propose to invest principally in listed equities. Such equities will only constitute taxable Australian property if:

- The Fund (and its associates) hold shares or interests of at least 10% in the entity; and
- More than 50% of the value of the entity's underlying assets consist of real property in Australia.

There is a 'look back' period in relation to the 10% test which operates as an integrity rule to counter staggered sell downs.

If the Funds held listed equities on revenue account for Australian tax purposes, any gains arising on disposal of the listed equities may give rise to Australian sourced gains which may be subject to Australian income tax (regardless of whether the assets are "taxable Australian property"). However, in such circumstances, Australian sourced gains still may be exempt from Australian income tax under the Investment Management Regime ("IMR"), subject to the particular Fund meeting the requirements for the concession in each relevant year.

If the Funds directly invest in Australian real property, a gain on disposal of the real property may give rise to a capital gain taxable in Australia.

Other income

Trust distributions attributable to Australian sources (other than dividends, interest, royalties and capital gains that are not "taxable Australian property") are subject to Australian withholding tax. If the Fund invests into an Australian managed investment trust ("MIT") withholding tax at the rates of 15% or 30% should apply to Australian sourced income. If the Fund invests into an Australian trust that is not a MIT, trustee withholding tax at the rate of either 30% or 47% should generally apply to amounts of Australian sourced income. Certain eligible MITs (referred to as "Attribution MITs") are able to elect to allocate taxable income to investors on an attribution basis rather than based on amounts distributed to each investor. This can give rise to deemed distributed amounts which are subject to withholding tax at the same rate as actual distributions.

Taxation of unitholders

Non-resident unitholders for Australian tax purposes should not be subject to Australian tax in respect of distributions made by the Funds and gains derived from the disposal of units in the Funds (provided that the Funds do not hold significant interests in "taxable Australian real property").

Australian tax residents and non-residents with a permanent establishment in Australia should seek their own advice on the tax implications of investing in the Funds.

Bangladesh

Taxation in Bangladesh relies on the concepts of both residency and source. Bangladesh tax residents are subject to tax on their worldwide income. Non-residents for Bangladesh tax purposes should only be subject to tax on their Bangladesh sourced income.

Funds whose management and control are situated wholly outside Bangladesh are treated as non-residents of Bangladesh for tax purposes and a liability to Bangladesh tax will only arise in respect of their Bangladesh sourced income. Funds are not formally defined in the tax legislation, however, based on current practice, funds are likely to be treated as a company for dividend withholding tax purposes.

Taxation of the Funds

The below domestic withholding tax rates will apply, unless a reduced rate or exemption is available under an applicable tax treaty.

Dividends

Dividend income derived by the Funds is subject to withholding tax at 20% for non-resident funds that are treated as a company. A stock dividend (i.e. bonus shares) is not subject to withholding tax in Bangladesh at the time of receipt, however, withholding tax at 15% will apply to capital gains arising from the subsequent disposal of such shares.

Interest income

Interest income derived by the Funds is generally subject to withholding tax at the rate of 20%. Such withholding tax is minimum i.e. it cannot be refunded.

Interest income derived by the Funds from government securities (excluding treasury bonds and bills) even if such securities are based on Islamic principles, is subject to a non-final withholding tax at 5%.

Technically, the Funds are ultimately required to pay tax on interest income at the maximum rate applicable to a company, which is currently 35%, and entitled to claim a tax credit for the withholding tax suffered on the interest income. However, in practice, the withholding tax deducted at source is considered to be the final tax for non-residents without permanent establishments in Bangladesh.

Capital gains

Capital gains from the disposal of both listed and unlisted shares (including the subsequent disposal of stock dividends) are generally subject to withholding tax at the rate of 15%. However, capital gains arising from the sale of listed shares by the Funds may be tax exempt in Bangladesh to the extent to which the Funds are not subject to tax on capital gains in their country of residence.

Taxation of unitholders

Non-resident unitholders for Bangladesh tax purposes should not be subject to Bangladesh tax in respect of gains derived from the disposal of units in the Funds and distributions made by the Funds.

Bangladesh tax residents and non-residents with a permanent establishment in Bangladesh should seek their own advice on the tax implications of investing in the Funds.

India

This outline of Indian tax applies only to JPMorgan India Fund and JPMorgan India Smaller Companies Fund. For the purposes of this Indian tax outline only, these funds are referred to as "the Funds".

Income tax in India is based both on the concept of residency and source. A resident for income tax purposes is generally taxed in India on his world-wide income. A person who is treated as non-resident for Indian income tax purpose, is subject to tax in India only on Indian sourced income (i.e. income received or deemed to be received in India or income accruing or arising or deemed to accrue or arise in India).

As all management and control of the Funds are situated outside India and the Funds do not have any presence in India in the form of a business connection, the Funds should be treated as a non-resident for Indian tax purposes.

Accordingly, the Funds should be subject to tax in India only on its Indian sourced income.

The Funds are domiciled and administered in Mauritius and their trustees are located there. In addition, the Funds obtain a certificate of tax residency from the Mauritius Revenue Authority. The Funds should therefore be considered as resident of Mauritius for the purposes of the India-Mauritius tax treaty. As a result, their Indian sourced income should benefit from the terms of the India-Mauritius tax treaty ('Treaty').

Taxation of the Funds

The Indian sourced income earned by the Funds primarily comprises capital gains arising on the transfer of Indian securities, dividend income and interest on securities.

Dividends

Under the Indian tax laws, dividend income earned by the Funds from investments in equity securities of Indian companies, and income distributions from investments in units of Indian mutual funds, will be exempt from tax in the hands of the Funds. However, the Indian company paying the dividend is subject to dividend distribution tax at a rate of 15% plus applicable surcharge and cess (comprising of (a) education cess and (b) secondary and higher education cess).

Interest income

Under the Indian tax laws, interest income from investment in government debt securities is taxable at the rate of 5% (plus surcharge and cess, as applicable). Separately, interest income from investments in debt securities of an Indian company is also taxable at the rate of 5% (plus surcharge and cess, as applicable), provided the rate of interest on such security does not exceed the State Bank of India base rate plus 500 basis points as on the date of issue of such security. The concessional rate is available on interest payable by the government and/ or the Indian company on or before 30 June 2020.

However, interest income other than the above is subject to tax in India at the rate of 20% (plus surcharge and cess, as applicable) subject to any Treaty relief.

Capital gains

The Governments of India and Mauritius signed a protocol amending the Treaty on 10 May 2016 altering the tax treatment of capital gains. As per the protocol, capital gains realized on alienation of equity shares held as on 31 March 2017 are exempt from tax, irrespective of the date of sale of such shares. However, effective 1 April 2019, India has the right to tax capital gains arising from alienation of shares acquired on or after 1 April 2017 and sold after 31 March 2019 at the full rate of tax under the domestic tax laws (there was a transitional period of 2 years between 1 April 2017 to 31 March 2019 which provided for taxation at a concessional rate of 50% of the domestic tax rates).

Effective 1 April 2019, short-term capital gains arising from the sale of listed equity shares held for less than 12-months are taxed at 15% (plus applicable surcharge and cess) where Securities Transaction Tax ("STT") has been charged whereas such short term gains are taxed at 30% where STT has not been charged. Long-term capital gains arising from the sale of listed equity shares held for more than 12-months are taxed at 10% (plus applicable surcharge and cess).

There can be no assurance that any future changes to or interpretations of the India-Mauritius tax treaty will not adversely affect the tax position of the Funds in India.

Taxation of unitholders

For unitholders resident outside India and who do not carry on a business in India, there should be no Indian tax levied on distributions received from the Funds or on gains derived from disposal of units of the Funds. Indian tax residents and non-residents of India with an Indian permanent establishment should seek their own advice on the tax implications of investing in the Funds.

Indonesia

Taxation in Indonesia relies on the concepts of both residency and source. Indonesian tax residents are subject to tax on their worldwide income. Non-residents for Indonesian tax purposes should only be subject to tax on their Indonesian sourced income.

On the basis that the Funds are established and domiciled outside of Indonesia, the Funds should be treated as nonresidents of Indonesia for tax purposes and generally, a liability to Indonesian tax will only arise in respect of their Indonesian sourced income.

Taxation of the Funds

The below domestic withholding tax rates will apply, unless a reduced rate or exemption is available under an applicable tax treaty.

Dividends

Dividend income is subject to withholding tax at the rate of 20%.

Interest income

Interest income (including coupon interest on bonds and interest/discounts earned by the Funds in respect of other interest bearing securities, such as medium term notes, promissory notes and negotiable certificate of deposits) is subject to withholding tax at the rate of 20%.

Capital gains

The sale of Indonesian listed shares is subject to withholding tax of 0.1% of the gross proceeds irrespective of whether or not the sale generates a capital gain or loss. This tax is withheld at the time of settlement.

The sale of Indonesian unlisted shares by non-residents (other than the non-residents who have a permanent establishment in Indonesia) are subject to withholding tax at the rate of 5% on the gross consideration. This 5% withholding tax is considered as tax on the "deemed capital gain".

Capital gains and other gains realised upon maturity or redemption gains of Indonesian bonds derived by the Funds are subject to withholding tax at the rate of 20%. The tax is withheld upon sale for capital gains and upon maturity for bonds. Capital gains, which constitute the difference between the selling price and the acquisition price, and gains on maturity, which constitute the difference between the nominal value and the acquisition price of the bonds, are treated in most respects in the same way as interest for Indonesian tax purposes. Therefore in some circumstances, a loss realised on sale or maturity of the bonds can be offset against accrued interest in calculating the Indonesian withholding tax due. However, it should be noted that losses cannot always be offset, especially where the person responsible for withholding the tax on the interest is different from the person responsible for withholding the tax on the capital gain.

Taxation of unitholders

Non-resident unitholders for Indonesian tax purposes should not be subject to Indonesian tax in respect of gains derived from the disposal of units in the Funds and distributions made by the Funds.

Indonesian tax residents and non-residents with a permanent establishment in Indonesia should seek their own advice on the tax implications of investing in the Funds.

Japan

Taxation in Japan relies on the concepts of both residency and source. In general terms, Japanese tax residents are subject to tax on their worldwide income, whereas non-residents are only taxed on their Japanese sourced income (subject to certain exceptions and relief).

On the basis that the Funds:

- Are constituted as a unit trust, which is regarded as similar to a Japanese investment trust under the Laws relating to Investment Trust and Investment Corporation of Japan;
- Are established outside Japan and governed by the law of the countries in which they were established; and
- The Trustees of the Funds are companies incorporated and resident in the countries where the Funds are formed;

the Funds should be treated as foreign investment funds, which do not constitute a taxable entity for Japanese corporate tax purposes other than through withholding tax on specific Japanese sourced income.

Taxation of the Funds

The below domestic withholding tax rates will apply, unless a reduced rate or exemption is available under an applicable tax treaty.

Dividends

Dividends from non-listed companies are subject to withholding tax at the rate of 20%. However, dividends from Japanese listed companies are subject to withholding tax at the reduced rate of 15%.

Interest income

Interest on bonds issued in Japan (including redemption income from certain discount bonds issued by the Japanese governments and Japanese corporations) is subject to withholding tax at the rate of 15% and interest on loans distributed in the form of trust beneficiary rights such as commercial mortgage-backed securities ("CMBS") is subject to withholding tax at 20%. However where certain conditions are met, an exemption from withholding tax on the interest on bonds may be available.

Income derived from the trading in equity index futures and debt securities futures is not subject to Japanese withholding tax.

Dividend and interest income (as described above), paid during the period from January 1, 2013 to December 31, 2037 will also be subject to additional Japanese withholding tax (under the Special Tax Measures for Tohoku Earthquake Restoration) as a surtax at the rate of 2.1% of the original tax rate. This represents an additional tax of 0.315% on dividends from listed shares, 0.42% on dividends from non-listed shares, 0.315% on interest on bonds and 0.42% on interest on loans.

Capital gains

Capital gains from the sale of portfolio securities in Japan are generally exempt from Japanese taxation, except in certain exceptional cases.

If the Funds were deemed to not be similar to "Japanese investment trusts" and dispose of shares in a Japanese corporation, the Funds would be subject to corporate tax at the rate of 23.2% on any capital gains if any of the following applies:

- The "25/5 Rule" where the Funds own or have owned (together with special related persons) 25% or more of the shares in the Japanese corporation at any time during the fiscal year of sale (or during the previous two years prior to sale) and the Funds sell 5% or more of the shares in the Japanese corporation;
- The Japanese corporation is characterised as a "real estate holding company" and the Funds owned (together with special related persons) more than 5% of the shares if it is a listed corporation or 2% of the shares if it is an unlisted corporation, at the prior fiscal year-end in which the shares are sold; or
- The Funds have engaged in improper market manipulation (such as "greenmail")

Any taxable sale of Japanese securities mentioned above is subject to local corporation tax, in addition to corporate tax, at the rate of 1.021% (changed to 2.390% in fiscal years beginning on or after 1 October 2019).

Taxation of unitholders

Non-resident unitholders for Japanese tax purposes, which do not carry on a business in Japan, should not be subject to Japanese tax in respect of gains derived from the disposal of units in the Funds and distributions made by the Funds.

Japanese tax residents and non-residents with permanent establishments in Japan should seek their own tax advice with regard to their investments in the Funds.

The Republic of Korea

Taxation in Korea relies on the concepts of both residency and source. A tax resident of Korea is generally subject to tax on their worldwide income. Non-residents for Korean tax purposes should only be subject to tax on their Korean sourced income.

On the basis that the Funds are established outside Korea, governed by the law of the countries in which they were established and the Trustees of the Funds are companies incorporated and resident in the countries where the Funds are formed, the Funds should only be subject to tax on their Korean sourced income. This also assumes that the Funds do not have a permanent establishment in Korea.

Taxation of the Funds

Dividends

Dividend income should be subject to withholding tax at the rate of 22%.

Interest income

Interest derived from Korean companies should be subject to withholding tax at the rate of 22%. Interest accrued on Korean Won denominated bonds issued by the Korean government and Korean companies, will be subject to a lower withholding tax rate of 15.4%. However, for non-Korean Won denominated bonds issued outside Korea, an exemption from withholding tax on interest is available.

Capital gains

The withholding tax rate for capital gains derived from both listed and unlisted securities (except for certain real estate rich company shares) is the lesser of 22% of the gain or 11% of the gross proceeds. However, capital gains earned by a non-resident (who does not have a permanent establishment in Korea) from the transfer of shares through the Korean Exchange are not taxable if the non-resident, together with certain related parties, hold or have held less than 25% of the shares of the company in question at all times during the calendar year of the share transfer and the immediately preceding five calendar years (the "25% rule").

Income derived by a non-resident, who does not have a permanent establishment in Korea, from the trading in the listed derivatives (e.g. futures, options, etc.) within the meaning of the Financial Investment Services and Capital Market Act is not subject to Korean withholding tax.

Taxation of unitholders

Non-resident unitholders for Korean tax purposes who do not carry on business in Korea should not be subject to Korean tax in respect of gains derived from the disposal of units in the Funds and distributions made by the Funds, if Korean withholding tax is already paid when income is paid to the Trustees of the Funds.

Korean tax residents and non-residents with a permanent establishment in Korea should seek their own advice on the tax implications of investing in the Funds.

Additional considerations

There are no specific rules in the Korean tax laws that govern the treatment of trusts established outside Korea. The Korean tax authorities may consider the Funds as the beneficial owners of any income derived in Korea. If this is the case, the tax treatment of dividends, interest and capital gains from the Funds' investment in Korea should be as described above.

It may also be possible that the Korean tax authorities consider the Funds as look-through entities and attribute the individual unitholders as the "beneficial owner" of the Korean sourced income from the Funds. If this is the case, the unitholders would be liable for Korean tax on their respective shares of the Funds' income. The Funds may need to disclose the tax residency of the unitholders to withholding agents, to withhold tax based on treaty (if applicable) or non-treaty rates, failing which the withholding agents will withhold tax at the non-treaty rates. However, where the Funds are "qualified public funds" which satisfy the below conditions, they are not required to disclose the details of the beneficial owner and are only required to disclose the number of beneficial owners by each country and the total investment amount:

- An Overseas Investment Vehicle ("OIV") which is similar to a collective investment scheme provided in the Financial Investment Services and Capital Markets Act and is registered or approved under the laws of the counterpart country of the tax treaty;

- The OIV does not issue securities through private offering and the number of investors (one investor in case the investor itself is a OIV) as at the end of the immediately preceding business year (in the case of a newly established OIV, as at the submission date of a OIV report) is 100 or more; and
- The OIV is not one of OIVs which are excluded from treaty benefits pursuant to a tax treaty.

Malaysia

Income tax in Malaysia is generally imposed on income accruing in or derived from Malaysia. On the basis that the Trustees of the Funds are non-resident and the Funds are administered outside Malaysia, the Funds should be non-residents for Malaysian tax purposes.

Taxation of the Funds

The below domestic withholding tax rates will apply, unless a reduced rate or exemption is available under an applicable tax treaty.

Dividends

Dividends from Malaysian investments will not be subject to withholding tax. This is on the basis that, under the single tier system, profits are only taxed at the company level and therefore, dividends received by shareholders are exempt from tax.

Interest income

Interest income from Malaysian investments will generally be subject to withholding tax at the rate of 15%. However, interest income earned from certain sources is exempt from tax, including (not exhaustive):

- Licensed Malaysian banks or financial institutions;
- Securities or bonds issued or guaranteed by the Malaysian Government;
- Debentures or sukuk, other than convertible loan stock, approved or authorised by, or lodged with, the Securities Commission of Malaysia; and
- Saving bonds (i.e. Bon Simpanan Malaysia) issued by the Central Bank of Malaysia.

Capital gains

Capital gains arising on the disposal of investments are normally not taxable in Malaysia. However, revenue gains may be subject to income tax where the non-resident has a business in Malaysia. It follows that should a disposal result in a loss, the Funds would not be entitled to any relief for these losses, unless the losses are attributed to a business carried on by the Funds in Malaysia. Gains on the sale of property in Malaysia or shares in real property companies (as defined) are subject to real property gains tax at rates ranging from 10% to 30% for non-Malaysian citizens or non-permanent residents.

Taxation of unitholders

Non-resident unitholders for Malaysian tax purposes should not be subject to Malaysian tax in respect of gains derived from the disposal of units in the Funds and distributions made by the Funds.

Malaysian tax residents and non-residents with a permanent establishment in Malaysia should seek their own advice on the tax implications of investing in the Funds.

Pakistan

Taxation in Pakistan relies on the concepts of both residency and source. A tax resident of Pakistan is subject to tax on their worldwide income. Non-residents for Pakistan tax purposes should only be subject to tax on their Pakistan sourced income.

Trusts, whether or not formed by or under foreign laws, are treated as a company. Accordingly, on the basis that the Funds are formed outside Pakistan and the control and management of the Funds is outside Pakistan, the Funds should be non-resident for Pakistan tax purposes.

Taxation of the Funds

The below domestic withholding tax rates will apply, unless a reduced rate or exemption is available under an applicable tax treaty.

Dividends

Dividends paid by a Pakistan resident company (including mutual funds) should generally be subject to withholding tax at the rate of 15%.

Interest income (i.e. profit-on-debt)

Profit-on-debt includes any yield, profit, interest, discount, premium or other amount arising on a debt and any service fee or other charge in respect of a debt.

Profit-on-debt paid to the non-resident Funds by Pakistan tax residents, or non-residents with a permanent establishment in Pakistan, constitutes Pakistan sourced income and should be chargeable and subject to withholding tax at the rate of 10%.

Capital gains

Capital gains arising on the disposal of listed shares (including units in a mutual fund and debt securities) are tax exempt (with effect from 1 July 2016) if they were acquired before 1 July 2013. Capital gains on listed shares (including units in a mutual fund and debt securities) acquired on or after 1 July 2013 are taxable at variable rates depending on the length of time held as detailed below:

- 15% on securities held for less than 12 months;
- for holding period between 12 to 24 months, 12.5% on securities acquired before 1 July 2016 whereas 15% on securities acquired after 1 July 2016;
- for holding period more than 24 month, 7.5% on securities acquired after 1 July 2013 but before 1 July 2016 whereas 15% on securities acquired after 1 July 2016;
- 0% on securities acquired before 1 July 2013;

Tax on capital gains from the disposal of listed shares and units in a mutual fund is to be collected and deposited on behalf of the taxpayer by the National Clearing Company of Pakistan Limited (NCCPL). The tax collected by NCCPL is creditable against the advance tax liability.

Taxation of unitholders

Non-resident unitholders for Pakistan tax purposes should not be subject to Pakistan tax in respect of gains derived from the disposal of units in the Funds and distributions made by the Funds.

Pakistan tax residents and non-residents with a permanent establishment in Pakistan should seek their own advice on the tax implications of investing in the Funds.

The People's Republic of China ("PRC")

Currently, there is no specific PRC legislation governing the taxation of income derived by a unit trust. There is legislation for a company (including a foreign trustee company) which derives income from the PRC.

Taxation of the Funds

The PRC Corporate Income Tax Law ("CITL") imposes a Corporate Income Tax ("CIT") of 20% on the PRC sourced income derived by a foreign enterprise without a permanent establishment or place of business in the PRC. The CIT rate is reduced to 10% by the CIT Implementation Rules. PRC sourced income includes profit (including gains from disposal of PRC securities), dividend, interest, rental, royalties and other income sourced in the PRC.

The Funds investing in PRC securities may be subject to CIT withholding and other taxes imposed in the PRC.

Dividends

Dividends paid by PRC companies are subject to 10% tax. The paying entity in the PRC will be responsible for withholding such tax when making a payment.

Interest income

Interest paid by PRC companies is subject to 10% tax. The paying entity in the PRC will be responsible for withholding such tax when making a payment. Interest income from government bonds is specifically exempt from tax under the CITL whereas interest derived

by foreign institutional investors from bonds traded in PRC local bond market are temporarily exempt from tax for the period from 7 November 2018 to 6 November 2021.

Capital gains

PRC-sourced gains would normally be subject to a 10% CIT under the CITL. Except for gains from the disposal of PRC A-Shares trading through Stock Connect or Qualified Foreign Institutional Investors ("QFII") / Renminbi Qualified Institutional Investors ("RQFII") which are specifically exempt under temporary exemptions from CIT, full PRC tax provision of 10% is made for certain gains from disposal of PRC securities that are not specifically exempt from CIT. However, generally there is no withholding mechanism for CIT on gains from PRC securities.

Gains from disposal of PRC debt securities by foreign investors may be viewed as non-PRC sourced income based on verbal interpretation of the State Tax Administration and the local PRC tax authorities. In practice, the PRC tax authorities have not actively enforced the collection of PRC CIT in respect of gains derived by non-PRC tax resident enterprises from the trading of debt securities. However, in the absence of written announcements issued by the PRC tax authorities, full PRC tax provision of 10% is made for PRC sourced gains on debt securities.

Taxation of unitholders

Non-resident unitholders for PRC tax purposes without a place of business or permanent establishment in the PRC should not be subject to PRC tax on distributions made by the Funds or gains derived from the disposal of units of the Funds.

PRC tax residents and non-residents with a permanent establishment in the PRC should seek their own advice on the tax implications of investing in the Funds.

The Philippines

Taxation in the Philippines relies on the concepts of citizenship, residency and source. Domestic companies and resident citizens are taxable on their worldwide income. Foreign companies (whether or not engaged in trade or business in the Philippines) and non-resident alien individuals (who are not engaged in trade or business in the Philippines) are taxable only on income derived from sources within the Philippines (albeit on a gross basis in respect of non-residents).

For Philippine tax purposes, the Funds will normally be classified as trusts. The tax treatment of the trust generally depends on whether it is revocable or irrevocable, with an irrevocable trust being treated as a distinct taxable entity and taxed in the same manner as an individual. On the basis that the Funds are irrevocable in nature, governed by the laws of countries other than the Philippines, managed outside the Philippines and the Trustees are not based in the Philippines, the Funds may qualify as non-resident aliens not engaged in trade or business for Philippine tax purposes.

Taxation of the Funds

Dividends

Dividends paid by a Philippine company should be subject to withholding tax at the rate of 25% (on the basis that the Fund is taxed as a non-resident alien individual which is not engaged in trade or business in the Philippines).

Interest income

Interest income paid by a Philippine company should be subject to withholding tax at the rate of 25% (on the basis that the Fund is taxed as a non-resident alien individual which is not engaged in trade or business in the Philippines).

Capital gains

Shares of stock listed and traded through the Philippine stock exchange by the Funds are subject to a stock transaction tax of 0.6% on the gross selling price or gross value in money of the shares of stocks exchanged or otherwise disposed.

Gains from sale of unlisted shares in a domestic company, or of shares in a listed company where the sale is not traded through the Philippine stock exchange, would be taxed at 15%.

Taxation of unitholders

Unitholders residing outside the Philippines and who do not carry on a business in the Philippines, should not be subject to Philippine tax in respect of gains derived from the disposal of units in the Funds and distributions made by the Funds. Philippine tax residents and non-residents with a permanent establishment in the Philippines should seek their own advice on the tax implications of investing in the Funds.

Singapore

The Singapore taxation system is quasi-territorial in nature and tax is imposed on income accruing in or derived from Singapore. For persons who are not individuals, tax is also imposed on foreign sourced income that is received or deemed to be received in Singapore (subject to certain exceptions).

Taxation of the Funds

JPMorgan Asset Management (Singapore) Limited ("JPMAMSL") holding a capital markets services license for fund management under the Securities and Futures Act of Singapore, has been appointed as a sub-manager of the Funds and, in this capacity, exercises discretionary investment management authority. The Funds may therefore be construed to be carrying on a trade or business in Singapore. Accordingly, income derived by the Funds may be considered income accruing in or derived from Singapore and subject to Singapore income tax at prevailing income tax rate (currently 17%), unless the income is specifically exempted from tax under Section 13CA of the Income Tax Act (Chapter 134) (the "Act") and the Income Tax (Exemption of Income of Non-Residents Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010 (the "Regulations") (collectively referred to as the "Offshore Fund Regime").

Under the Offshore Fund Regime, the Funds which qualify as a 'prescribed person' and are managed by JPMAMSL will enjoy tax exemption on 'specified income' derived in respect of 'designated investments'. Specified income includes gains and distributions (but excluding distributions by REIT listed in Singapore), and designated investments covers a wide range of investments including stocks and shares (but excluding stocks, shares and interest-bearing securities of unlisted company that is in the business of trading or holding immovable property in Singapore).

Taxation of unitholders

Non-resident individual and corporate unitholders, with no permanent establishment in Singapore and who do not carry on a trade or business in Singapore, should not be subject to Singapore tax in respect of gains derived from the disposal of units in the Funds and distributions made by the Funds.

Certain non-individual investors from Singapore who beneficially hold (either alone or together with its associates) more than 30% (for funds with less than 10 unitholders) or 50% (for funds with at least 10 unitholders) of the total value of each of the Funds at the last day of the Funds' financial year end, would be required to declare and pay a penalty to the Comptroller of Income Tax in Singapore in their respective income tax returns. If applicable, the penalty is calculated based on the percentage of such investor's beneficial ownership in each of the Funds multiplied by the income of each of the Funds as reflected in their respective audited accounts and assessed at the prevailing income tax rate (currently 17%). Such non-individuals should seek their own advice on the application of the penalty.

Singapore tax residents and non-residents with a permanent establishment in Singapore should seek their own advice on the tax implications of investing in the Funds.

Sri Lanka

Taxation in Sri Lanka relies on the concepts of both residency and source. A tax resident of Sri Lanka is subject to tax on his worldwide income. A non-resident for Sri Lankan tax purposes is only subject to tax to the extent that the income arises in or is derived from a source in Sri Lanka.

For Sri Lankan tax purposes, on the basis that the Funds are formed and domiciled outside Sri Lanka and the Trustees (as well as the investment advisers) are resident outside Sri Lanka, the Funds should not be considered tax residents of Sri Lanka. The Funds would be subject to Sri Lankan tax only on Sri Lankan sourced income.

Taxation of the Funds

The below domestic withholding tax rates will apply, unless a reduced rate or exemption is available under an applicable tax treaty.

Dividends

Dividends paid by a Sri Lankan company to the Funds will be subject to withholding tax at the rate of 14% which should constitute a final tax.

Interest income

Interest paid to the Funds would be subject to withholding tax at the rate of 5%. Interest paid on certain registered securities or treasury bonds is exempt from withholding tax.

Capital gains

Whether a particular gain is characterized as a capital gain or a trading profit depends on the facts and circumstances of the case. If an asset is held as part of an investment portfolio (i.e. as an "investment asset"), a gain arising from disposal of the asset is considered as a "capital gain". Gains from the disposal of "investment assets" would be subject to capital gains tax at 10%.

Gains made on realization of shares listed on the Colombo Stock Exchange is exempt from income tax.

Capital gains derived by non-residents with no permanent establishment in Sri Lanka on foreign currency denominated government bonds are proposed to be exempt from income tax in Sri Lanka pending final enactment of the proposed tax regulation.

Taxation of unitholders

Non-resident unitholders should not be subject to tax in Sri Lanka on gains derived from the disposal of their units held outside Sri Lanka and distributions made by the Funds outside Sri Lanka.

Sri Lankan tax residents and non-residents with a permanent establishment in Sri Lanka, should seek their own advice on the tax implications of investing in the Funds.

Taiwan

Taxation in Taiwan relies on the concepts of both residency and source. A domestic profit-seeking enterprise is subject to tax on its worldwide income. A foreign profit-seeking enterprise is subject to tax only on income derived in Taiwan. Similar to other foreign profit-seeking enterprises, the Funds should only be subject to tax on income derived in Taiwan.

Taxation of the Funds

Dividends

Dividends received from Taiwanese companies will be subject to withholding tax at the rate of 21%.

Interest income

Interest income earned on Taiwanese securities would generally be subject to withholding tax at the rate of 20%. However, interest income derived from commercial papers, beneficiary securities, bonds and repo trades of specific financial instruments is subject to a reduced 15% withholding tax.

Capital gains

Capital gains arising from the sale of Taiwanese securities by the Funds should not be subject to tax.

Taxation of unitholders

Non-resident unitholders for Taiwan tax purposes, who do not carry on a business in Taiwan, should not be subject to tax on gains derived from the disposal of their units in the Funds and distributions received from the Funds.

Taiwanese tax residents and non-residents of Taiwan with fixed place of business in Taiwan should seek their own advice on the tax implications of investing in the Funds.

Thailand

Taxation in Thailand relies on the concepts of both residency and source. Thai tax resident corporate entities are taxed on their worldwide income. Non-resident corporate entities for Thai tax purposes are generally only subject to tax only on profits arising from or in consequence of carrying on business in Thailand.

Thailand does not recognise trusts and hence for the purposes of levying income tax, the Funds, being similar in the nature to a limited partnership, will be treated as corporations. On the basis that the Funds are managed outside Thailand, the Trustees of the Funds are based outside and that the Funds do not have a permanent establishment in Thailand (i.e. no agent or go-between), it is expected that the Funds will be treated as a foreign company not carrying on business in Thailand for tax purposes.

Taxation of the Funds

The below domestic withholding tax rates will apply, unless a reduced rate or exemption is available under an applicable tax treaty.

Dividends/ Profit sharing

Dividends/ Profit sharing paid by Thai companies should be subject to withholding tax at the rate of 10%. However, withholding tax is exempted for:

a. Dividend paid from the payer who has been granted an investment promotion and the dividend is paid to the Funds during the tax holiday period by such promoted company

b. Profit sharing paid from fixed income funds effective 20 August 2019 pending enactment of the proposed law.

Interest income

Interest income should generally be subject to withholding tax at the rate of 15%. However, interest paid from government bonds or a financial institution incorporated under the specific Thai laws for the purpose of lending to promote agriculture, commerce or industry, is exempt from withholding tax.

Capital gains

Capital gains on the sale of investments derived from or in Thailand by the Funds should be subject to withholding tax at the rate of 15%. However, capital gains derived from sale of an investment unit in a fixed income fund is exempt from income tax.

Taxation of unitholders

Non-resident unitholders for Thai tax purposes, who do not carry on a business in Thailand, should not be subject to Thai tax in respect of gains derived from the disposal of units in the Funds and distributions made by the Funds.

Thai tax residents and non-residents of Thailand with a permanent establishment in Thailand should seek their own advice on the tax implications of investing in the Funds.

The United States of America

This document was not intended or written to be used, and it cannot be used, for the purpose of avoiding U.S. federal, state or local tax penalties.

This section is based upon the current provisions of the IRC, existing and currently proposed Treasury Regulations promulgated thereunder ("Regulations"), existing rulings and administrative decisions of the U.S. Internal Revenue Service ("IRS"), and existing judicial decisions, all of which are potentially subject to change or modification, possibly with retroactive effect. No ruling has been sought or obtained from the IRS or any other tax authority with respect to the matters discussed herein.

This section discusses only the principal U.S. federal income tax consequences to the Funds (which are in the form of trusts) and to those unitholders in the Funds that are not United States persons (as that term is defined in Section 7701(a)(30) of the IRC) and that are not engaged in a trade or business within the United States of America (a "U.S. trade or business"). This section does not address all of the tax consequences that might be relevant to a unitholder in light of the unitholder's particular circumstances and does not address the provisions of the IRC applicable to any non-United States person that is engaged in a U.S. trade or business.

Taxation of the Funds

Under the Regulations, each Fund should be viewed as a "business entity" (and not as a trust). Furthermore, under the default provisions of the so-called "check-the-box" Regulations, each Fund should be treated as a corporation for U.S. federal income tax purposes.

A foreign corporation generally is subject to U.S. federal income tax (calculated using a flat 21 % corporate tax rate) on its taxable income that is effectively connected with the conduct of a U.S. trade or business plus an additional 30% U.S. branch profits tax (or branch level interest tax). State and local taxes may also apply.

Pursuant to the safe harbour provisions of Section 864(b) of the IRC, a foreign corporation will not be considered to be engaged in a trade or business within the United States of America solely because such foreign corporation (directly or through an agent) effects transactions in the United States of America in stocks, securities or commodities for its own account, provided such foreign corporation is not a dealer (be it in stocks, securities or commodities) and, if it trades in commodities, only trades commodities which are of a kind customarily dealt in on an organised commodity exchange in transactions of a kind customarily consummated on such an exchange.

In the event that the Funds' activities are viewed as trading (rather than merely investing) in securities and commodities, it is currently anticipated that such activities should qualify under the exemption discussed in the preceding paragraph. Alternatively, if the Funds are viewed as merely investing in securities and commodities, those activities would not constitute the conduct of a U.S. trade or business. Accordingly, the Funds should not be viewed as engaged in a trade or business within the United States of America.

Dividends and interest

The Funds will generally be subject to a U.S. withholding tax at the rate of 30% (subject to reduction or exemption under an applicable tax treaty, although no such treaty applies to the Funds) imposed on the gross amount of items of U.S. sourced interest, dividends, and certain other types of investment income which are not effectively connected with the conduct of a U.S. trade or business. The withholding tax is not recoverable to the Funds.

In general, U.S. withholding tax must be withheld at the source by any person having custody or control over such income (a "Withholding Agent"). However, the withholding tax generally does not apply to (i) original issue discount on U.S. Treasury bills and other debt obligations having a maturity, in substance (e.g., including rollovers), of 183 days or less from the date of original issue; (ii) commercial bank deposits; (iii) gains on capital assets (subject to the discussion below on United States real property interests); and (iv) interest income attributable to United States Treasury obligations and other debt obligations in "registered form" issued on or after 18 July, 1984, provided the beneficial owner provides the Withholding Agent with a Form W-8BEN or a prescribed substitute documentation, and certain other requirements are met.

Capital gains

No U.S. income or capital gains tax is anticipated to be payable on the realised capital appreciation of the Funds' investments by the unitholders. However, as discussed in more detail below, the Funds may incur a U.S. income or capital gains tax upon the disposition of certain U.S. investments, if those investments are considered United States real property interests (as that term is defined under Section 897(c) of the IRC).

The Foreign Investment in Real Property Tax Act of 1980, as amended ("FIRPTA"), imposes a tax on gain realised and recognised on disposition by a foreign person on a "United States real property interest" ("USRPI") by treating such gain as income that is effectively connected with a U.S. trade or business ("ECI"). USRPIs include real property located in the U.S. and stock of a U.S. corporation if U.S. real property constitutes at least 50% by value, of certain of the corporation's assets. The Funds will be subject to U.S. federal income taxation, at a flat 21% corporate tax rate plus 30% U.S. branch profits tax, on net gain realised upon the disposition of a USRPI as if such gain were ECI.

Gain treated as ECI earned by the Funds is subject to withholding under IRC Sections 1445. Under IRC Section 1445, 15% of the gross proceeds attributable to the sale of a USRPI must generally be withheld by the buyer of such real property interest and remitted to the IRS.

Any amounts properly withheld under IRC Section 1445 generally can be applied as a credit against the U.S. federal income tax liability of each Fund on its net gain from the disposition upon filing a U.S. federal income tax return and can be recovered as a refund in the event of overpayment.

Special FIRPTA rules apply to any Fund's investment in a REIT. Specifically, (i) a distribution by a REIT attributable to gain from the disposition of a USRPI will be treated under FIRPTA as ECI and subject to 21% U. S. withholding tax; (ii) any other dividend distribution by a REIT will generally be subject to withholding based on the general withholding tax rules applicable to dividends from sources within the U.S. as discussed above; and (iii) the Funds will not be taxable on any gain from the disposition of an investment in a REIT, provided that (a) the REIT is "domestically controlled" (i.e., less than 50% in value of its stock is, at all times during a 5-year look-back period, held, directly or indirectly, by foreign shareholders), or, (b) in the case of a REIT whose shares are publicly traded (i.e. regularly traded on an established market), the Fund making the disposition did not own, at any time during a 5-year look-back period, more than 10% of the shares of the REIT.

Taxation of unitholders

In general, subject to the above, unitholders of the Funds should not be liable to U.S. federal income tax on any income or gains derived through the Funds or upon a sale or other disposition of units in the Funds.

A unitholder of the Funds that is resident in a country which has an income tax treaty with the United States of America, under certain circumstances, may be entitled to reclaim all or a portion of its share of any U.S. withholding tax imposed on its share of the Funds' income. Unitholders should consult their own tax advisers to determine the effect of any such tax treaty and reclaim procedures. Although there is currently an income tax treaty between the United States of America and the People's Republic of China, both governments have indicated that the provisions of the treaty will not be extended to include Hong Kong.

Vietnam

Taxation in Vietnam relies on the concepts of both residency and source. Vietnamese tax residents are generally taxed on their worldwide income. Non-residents for Vietnamese tax purposes are generally only subject to tax on Vietnamese sourced income.

However, the Vietnam tax rules are characterised by uncertainty and by a lack of interpretative guidance. Both the substantive provisions of Vietnam tax law and the interpretation and application of such provisions by the Vietnam tax authorities may be subject to more rapid and unpredictable change than in a jurisdiction with more developed capital markets. In particular, the interpretation and application of such provisions will in practice rest in part with the local tax inspectors.

Under the tax regulations, the Funds are likely to be classified as foreign investment funds established under the laws of a foreign country and not physically present in Vietnam. The Funds' presence in Vietnam would only be via their investments which are not of themselves indicative of a permanent establishment.

Note that the permanent establishment status of the Funds would vary depending on changes in the Funds' operation, structure or the tax regulations in Vietnam. Under this tax note, it is assumed that the Funds' operations will not create any permanent establishment in Vietnam, as discussed above.

Taxation of the Funds

As the Funds should not be considered to have a permanent establishment in Vietnam, income tax will be imposed on the Funds in different ways, depending on the form of investment as detailed below:

A. Investment in the form of capital contributed in limited liability companies established under the laws of Vietnam and shares of joint stock companies in Vietnam

When contributing capital and participating in the management of limited liability companies, the Funds would be considered to be foreign investors who directly own interests in the limited liability companies and their name will be listed in the investment certificate of the limited liability companies. The limited liability companies themselves do not constitute permanent establishment status of the Funds in Vietnam.

Under this form of investment, the Funds may be subject to Vietnamese tax on the following types of income:

Dividends

Dividends received from Vietnamese companies will not be subject to any tax in Vietnam.

Capital gains

Selling an interest or transferring ownership by a foreign investor of the capital contributed in a company established under the laws of Vietnam to another investor shall be viewed as a "capital assignment" and the vendor is subject to Capital Assignment Tax ("CAT") at the rate of 20% on any gain derived from the capital assignment.

Effect 1 January 2015, gains from sale of an interest in a Vietnamese company where the transaction is structured outside of Vietnam at the holding company level and above, will also be subject to tax at 20%, even though the assignment does not involve the change of the direct investor in the Vietnamese limited liability company.

The Ministry of Finance has proposed to impose CAT at 2% on gross sales proceeds instead of applying CT at 20% on net gains derived from disposal of an interest in Vietnamese companies.

Transfer of shares in non-public joint stock company should be considered as "capital" assignment and subject to CAT at the rate of 20% on net gain).

B. Investment in securities listed in the stock market through a Vietnamese bank account

When investing in securities listed on the stock market or over the counter market through a Vietnamese bank account, the Funds will be subject to CIT on a "deemed taxation" basis as follows:

Dividends

No withholding tax on dividends or any other levy on the remittance of dividends overseas to foreign investors.

Interest income

Interest income from bonds and certificates of deposits (CDs) is subject to withholding tax at the rate of 5%. Further, proceeds from transferring CDs of foreign investors are subject to withholding tax of 0.1%.

Interest income (other than from bonds and CDs) paid to the Funds is subject to withholding tax at the rate of 5% under the Foreign Contractor Tax regulations.

Capital gains

Transfer of listed securities (including the sale of shares, bonds (except tax-free bonds) and investment fund certificates), is subject to tax on the gross value of securities sold on each transaction. This is a "deemed profits" tax, equivalent to 0.1% of the sales proceeds. No relief is allowed for transaction costs and no allowance is taken for the cost of investments (i.e. the earning of actual profits is irrelevant).

Bonds 'transferred' by a bondholder should also be subject to a deemed CIT of 0.1% of the total value of the proceeds received at the time the bonds are transferred. 'Transfer' may be understood to include the sale of the bond to a third party. However it is unclear whether it includes bonds purchased, cancelled, redeemed by the issuer or when the issuer repays the principal on the maturity date.

C. Investment in Securities Investment Funds in Vietnam

Profits distributed by domestic securities investment funds will be subject to withholding tax at the rate of 20%, unless the profits in question have already borne Vietnamese CIT, or are derived from tax-free bonds.

D. Other investments in Vietnam

Income sourced in Vietnam, not otherwise classified above, will likely be taxable under the Law on CIT at the standard CIT rate of 20%, or, subject to foreign contractor tax, depending on the type of income.

E. Non-Vietnamese investments

Per Vietnam tax regulations, indirect capital transfers are subject to tax in Vietnam. An indirect capital transfer means an offshore transfer of capital where the vendor, purchaser and investment company are overseas entities but the investment company has an investment(s) in Vietnam. However, at present, there is no detailed guidance on this matter and therefore, the mechanism to tax this indirect transfer is still not in place.

Taxation of unitholders

Non-resident unitholders for Vietnamese tax purposes should not be liable to Vietnamese tax in respect of gains derived from the disposal of their units in the Funds and distributions received from the Funds. However, as noted previously (in relation to the Funds), if the disposal of the interest in the Funds is related (directly or indirectly) to any lower-tier investments in Vietnam, Vietnamese tax is likely to apply.

Vietnamese tax residents and non-residents of Vietnam with a permanent establishment in Vietnam should seek their own advice on the tax implications of investing in the Funds.

Section E – NAMES OF FUNDS/CLASSES

Asia Pacific Equity Funds

Fund/Class
JPMorgan ASEAN (acc) - AUD (hedged)
JPMorgan ASEAN (acc) - CAD (hedged)
JPMorgan ASEAN (acc) - EUR (hedged)
JPMorgan ASEAN (acc) - GBP (hedged)
JPMorgan ASEAN (acc) - HKD
JPMorgan ASEAN (acc) - NZD (hedged)
JPMorgan ASEAN (acc) - RMB (hedged)
JPMorgan ASEAN (acc) - SGD (hedged)
JPMorgan ASEAN (acc) - USD
JPMorgan ASEAN - Class C (acc) - USD
JPMorgan Asia Equity Dividend (acc) - HKD
JPMorgan Asia Equity Dividend (acc) - RMB (hedged)
JPMorgan Asia Equity Dividend (acc) - USD
JPMorgan Asia Equity Dividend (mth) - AUD (hedged)
JPMorgan Asia Equity Dividend (mth) - CAD (hedged)
JPMorgan Asia Equity Dividend (mth) - EUR (hedged)
JPMorgan Asia Equity Dividend (mth) - GBP (hedged)
JPMorgan Asia Equity Dividend (mth) - HKD
JPMorgan Asia Equity Dividend (mth) - NZD (hedged)
JPMorgan Asia Equity Dividend (mth) - RMB (hedged)
JPMorgan Asia Equity Dividend (mth) - SGD (hedged)
JPMorgan Asia Equity Dividend (mth) - USD
JPMorgan Asia Equity Dividend - Class C (acc) - USD
JPMorgan Asia Equity Dividend - Class C (mth) - USD
JPMorgan Australia (acc) - AUD
JPMorgan Australia (acc) - USD
JPMorgan Asian Smaller Companies (acc) - HKD
JPMorgan Asian Smaller Companies (acc) - USD
JPMorgan Asian Smaller Companies - Class C (acc) - USD
JPMorgan India (acc) - USD
JPMorgan Indonesia (acc) - USD
JPMorgan Japan (Yen) (acc) - HKD (hedged)
JPMorgan Japan (Yen) (acc) - JPY
JPMorgan Japan (Yen) (acc) - RMB (hedged)
JPMorgan Japan (Yen) (acc) - USD (hedged)
JPMorgan Korea (acc) - USD
JPMorgan Malaysia (acc) - USD
JPMorgan Malaysia - Class C (acc) - USD
JPMorgan Pacific Securities (acc) - USD
JPMorgan Pacific Securities - Class C (acc) - USD

Fund/Class
JPMorgan Pacific Technology (acc) - AUD (hedged)
JPMorgan Pacific Technology (acc) - HKD
JPMorgan Pacific Technology (acc) - SGD (hedged)
JPMorgan Pacific Technology (acc) - USD
JPMorgan Pacific Technology - Class C (acc) - USD
JPMorgan Philippine (acc) - USD
JPMorgan Thailand (acc) - USD

Bond and Currency Funds

Fund/Class
JPMorgan Asian Total Return Bond (acc) - HKD
JPMorgan Asian Total Return Bond (acc) - RMB (hedged)
JPMorgan Asian Total Return Bond (acc) - USD
JPMorgan Asian Total Return Bond (mth) - AUD (hedged)
JPMorgan Asian Total Return Bond (mth) - CAD (hedged)
JPMorgan Asian Total Return Bond (mth) - EUR (hedged)
JPMorgan Asian Total Return Bond (mth) - GBP (hedged)
JPMorgan Asian Total Return Bond (mth) - HKD
JPMorgan Asian Total Return Bond (mth) - NZD (hedged)
JPMorgan Asian Total Return Bond (mth) - RMB (hedged)
JPMorgan Asian Total Return Bond (mth) - SGD (hedged)
JPMorgan Asian Total Return Bond (mth) - USD
JPMorgan Asian Total Return Bond - Class C (acc) - USD
JPMorgan Asian Total Return Bond - Class C (mth) - USD
JPMorgan Europe High Yield Bond (mth) - AUD (hedged)
JPMorgan Europe High Yield Bond (mth) - CAD (hedged)
JPMorgan Europe High Yield Bond (mth) - EUR
JPMorgan Europe High Yield Bond (mth) - GBP (hedged)
JPMorgan Europe High Yield Bond (mth) - HKD (hedged)
JPMorgan Europe High Yield Bond (mth) - NZD (hedged)
JPMorgan Europe High Yield Bond (mth) - RMB (hedged)
JPMorgan Europe High Yield Bond (mth) - USD (hedged)
JPMorgan Global Bond (acc) - RMB (hedged)
JPMorgan Global Bond (mth) - AUD (hedged)
JPMorgan Global Bond (mth) - CAD (hedged)
JPMorgan Global Bond (mth) - HKD
JPMorgan Global Bond (mth) - NZD (hedged)
JPMorgan Global Bond (mth) - RMB (hedged)
JPMorgan Global Bond (mth) - USD
JPMorgan Global Bond (san) - USD
JPMorgan Global Bond - Class C (acc) - USD
JPMorgan Global Bond - Class C (mth) - USD
JPMorgan Money Fund - HK$

Other Funds

Fund/Class
JPMorgan Asia Growth (acc) - HKD
JPMorgan Asia Growth (acc) - RMB (hedged)
JPMorgan Asia Growth (acc) - USD
JPMorgan Asia Growth - Class C (acc) - USD
JPMorgan China A-Share Opportunities (acc) - HKD
JPMorgan China A-Share Opportunities (acc) - RMB
JPMorgan China A-Share Opportunities (acc) - USD
JPMorgan China A-Share Opportunities - Class C (acc) - RMB
JPMorgan China A-Share Opportunities - Class C (acc) - USD
JPMorgan China Income (acc) - USD
JPMorgan China Income (mth) - AUD (hedged)
JPMorgan China Income (mth) - HKD
JPMorgan China Income (mth) - RMB (hedged)
JPMorgan China Income (mth) - USD
JPMorgan China Income - Class C (acc) - USD
JPMorgan China Income - Class C (mth) - USD
JPMorgan China Pioneer A-Share Fund
JPMorgan Europe Strategic Dividend (mth) - AUD (hedged)
JPMorgan Europe Strategic Dividend (mth) - CAD (hedged)
JPMorgan Europe Strategic Dividend (mth) - EUR
JPMorgan Europe Strategic Dividend (mth) - GBP (hedged)
JPMorgan Europe Strategic Dividend (mth) - HKD (hedged)
JPMorgan Europe Strategic Dividend (mth) - NZD (hedged)
JPMorgan Europe Strategic Dividend (mth) - RMB (hedged)
JPMorgan Europe Strategic Dividend (mth) - USD (hedged)
JPMorgan Evergreen Fund
JPMorgan Global Property Income (div) - USD
JPMorgan Global Property Income (mth) - HKD
JPMorgan Global Property Income (mth) - USD
JPMorgan Global Property Income - Class C (mth) - USD
JPMorgan India Smaller Companies (acc) - USD
JPMorgan Multi Balanced (mth) - AUD (hedged)
JPMorgan Multi Balanced (mth) - EUR (hedged)
JPMorgan Multi Balanced (mth) - HKD
JPMorgan Multi Balanced (mth) - RMB (hedged)
JPMorgan Multi Balanced (mth) - USD
JPMorgan Multi Balanced - Class C (acc) - USD
JPMorgan Multi Balanced – Class C (mth) – SGD (hedged)
JPMorgan Multi Balanced - Class C (mth) - USD

Fund/Class
JPMorgan Multi Income (acc) - HKD
JPMorgan Multi Income (acc) - RMB (hedged)
JPMorgan Multi Income (acc) - USD
JPMorgan Multi Income (mth) - AUD (hedged)
JPMorgan Multi Income (mth) - CAD (hedged)
JPMorgan Multi Income (mth) - EUR (hedged)
JPMorgan Multi Income (mth) - GBP (hedged)
JPMorgan Multi Income (mth) - HKD
JPMorgan Multi Income (mth) - NZD (hedged)
JPMorgan Multi Income (mth) - RMB (hedged)
JPMorgan Multi Income (mth) - SGD (hedged)
JPMorgan Multi Income (mth) - USD
JPMorgan Multi Income - Class C (acc) - USD
JPMorgan Multi Income - Class C (mth) - USD
JPMorgan Vietnam Opportunities (acc) - USD

Section F – COLLATERAL POLICY

Applicable laws and regulations mandate financial firms and systemically important non-financial entities engaged in certain non-cleared OTC derivatives trading to exchange collateral. As a result, Funds may be required to place and receive margin with their respective counterparties.

From time to time, cash collateral may be received from and/or posted to counterparties in connection with certain non-cleared OTC derivatives transactions entered into by a Fund for currency hedging purposes. Under the Manager's current process, the Funds only use cash collateral.

The OTC derivative positions will be marked to market daily and if the value of either party's position declines, that party will be required to make additional collateral payments equal to the change in value on a daily basis provided that the additional collateral payments required exceed certain prescribed thresholds.

Collateral may be subject to a haircut, a discount both parties apply to collateral value as a way of limiting exposure to market and liquidity risk. Generally, cash is being considered the most liquid collateral and therefore cash collateral a Fund receives typically is not subject to a haircut.

Counterparties

The Funds will only enter into transactions with counterparties approved by the Manager. To be approved, a counterparty must:

(i) be substantial financial institutions as defined in the SFC Code;

(ii) be considered creditworthy by the Manager;

(iii) undergo credit analysis applicable to the counterparty's intended activity, which may include, but not limited to, a review of the management, liquidity, profitability, corporate structure, capital adequacy and asset quality, as well as the regulatory framework in the relevant jurisdiction (while there are no predetermined legal status or geographical criteria applied to the selection of the counterparties, these elements are typically taken into account); and

(iv) typically have a public credit rating of at least A- rated by Standard & Poor's or Fitch, or A3 by Moody's or other equivalent ratings by other international rating agencies.

Reinvestment of Collateral

From time to time, cash collateral received may be reinvested in short-term deposits or high quality money market instruments subject to the respective investment restrictions applicable to the Funds. The maximum amount available for cash collateral reinvestment is the amount of cash collateral received plus the related interest earned from the short-term deposits or money market instruments.

Custody of collateral

Collateral the ownership of which is transferred to the Funds will be held by the Trustee.

Enforceability of collateral

Cash collateral is provided and received by way of title transfer under relevant trade agreements. Each party therefore has a contractual obligation to return or repay cash in the same currency when a party who has received collateral has excess margin or the other party has performed its obligations in full.

Because the party transferring collateral only has a contractual claim against the party receiving collateral, if a counterparty becomes insolvent, a Fund that has transferred collateral would be subject to the risk that it may not receive collateral in whole or in part and/or it may take time to receive such collateral as a Trust would rank as an unsecured creditor of such counterparty.

Upon occurrence of event of default or insolvency of a party, collateral will be used to net or set off risk exposure of the parties.

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J.P.Morgan
Asset Management

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan ASEAN Fund
摩根東協基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Sub-Managers 助理經理人：	JPMorgan Asset Management (Singapore) Ltd., Singapore (internal delegation) 新加坡（同集團委任） JPMorgan Asset Management (UK) Ltd.^, UK (internal delegation) 英國（同集團委任） ^ JPMorgan Asset Management (UK) Ltd. is only responsible for the currency management of the Currency Hedged Classes set out in the sub-section "Ongoing charges over a year". ^ JPMorgan Asset Management (UK) Ltd.只負責「全年經常性開支比率」分節所載貨幣對沖類別的貨幣管理。
Trustee 信託管理人：	Bank of East Asia (Trustees) Ltd. 東亞銀行（信託）有限公司
Ongoing charges over a year 全年經常性開支比率：	(acc) - AUD (hedged) class （累計）澳元對沖類別 1.60%† (acc) - HKD class （累計）港元類別 1.60%† (acc) - RMB (hedged) class （累計）人民幣對沖類別 1.60%† (acc) - USD class （累計）美元類別 1.60%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The classes offered in Hong Kong are in Australian dollars, Canadian dollars, Euro, Sterling, HK dollars, New Zealand dollars, Renminbi, Singapore dollars and US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別分別以澳元、加元、歐元、英鎊、港元、紐元、人民幣、新加坡元及美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class) （累計）類別 — 累計（收益將保留並撥作投資相應類別）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): For RMB denominated Class(es): RMB16,000 or its equivalent in another currency For other Classes: USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）： 就以人民幣計價的類別而言：人民幣16,000元或其他貨幣之等值 就其他類別而言：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.
經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Issued by JPMorgan Funds (Asia) Ltd. 由摩根基金（亞洲）有限公司刊發

Objective and investment strategy 目標及投資策略

The investment policy of the Fund is to enable investors to participate in a managed portfolio consisting primarily (i.e. at least 70% of its total net asset value) of equity securities with significant assets in, or significant earnings derived from one or more of the countries comprising the Association of South East Asian Nations.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Manager will aim to achieve capital growth in US dollar terms.

The Fund's aggregate exposure (direct and indirect) to China A-Shares and B-Shares may not exceed 10% of its total net asset value and should this investment policy in China A-Shares and/or B-Shares change in the future, one month's prior notice will be given to unitholders and the offering document will be updated accordingly.

The Fund may also invest in derivatives such as options, warrants and futures for investment purposes.

The Fund will have limited Renminbi (RMB) denominated underlying investments.

基金之投資政策乃使投資者能夠參與一個由專人管理之證券投資組合，該證券投資組合主要（即將其總資產淨值至少70%）投資於在東南亞國家協會之其中一個或多個成員國擁有其大部分資產，或其大部分盈利來自該等成員國之股票證券。

基金在任何行業可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。

經理人乃以獲得以美元為單位之資本增長為目的。

基金於中國A股及B股的總投資（直接及間接）不可超過其總資產淨值的10%。該有關中國A股及/或B股的投資政策於未來如有改變，經理人將向單位持有人發出一個月的事先通知，而銷售文件將作出相應更新。

基金亦可為投資目的而投資於衍生工具，例如期權、認股權證及期貨。

基金將有限度地投資於人民幣計價相關投資項目。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.

本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Emerging markets risk** – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Accounting, auditing and financial reporting standards in emerging markets may be less rigorous than international standards. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Fund's investments.
- **Concentration risk** – The Fund may concentrate its investments in countries comprising the Association of South East Asian Nations. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area.
- **Smaller companies risk** – The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes.

- **Risk associated with high volatility of certain equity markets in countries comprising the Association of South East Asian Nations** – High market volatility and potential settlement difficulties in certain markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Fund.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **Class currency risk** – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not Australian dollars) and chooses to invest in the AUD Hedged Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and Australian dollars upon the reconversion of its Australian dollars investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in Australian dollars.
- **RMB currency risk** – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the People's Republic of China. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including US dollars and HK dollars, are susceptible to movements based on external factors. Accordingly, the investment in Classes denominated in RMB may be adversely affected by the fluctuations in the exchange rate between RMB and other foreign currencies. RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government.

  Class(es) denominated in RMB will generally be valued with reference to RMB (CNH) rather than RMB (CNY). While RMB (CNH) and RMB (CNY) represent the same currency, they are traded in different and separate markets which operate independently. As such RMB (CNH) does not necessarily have the same exchange rate and may not move in the same direction as RMB (CNY). Any divergence between RMB (CNH) and RMB (CNY) may adversely impact investors. Class(es) denominated in RMB participate in the offshore RMB (CNH) market, which allow investors to freely transact CNH outside of mainland China. Class(es) denominated in RMB will have no requirement to remit CNH to onshore RMB (CNY). Non-RMB based investors (e.g. Hong Kong investors) in Class(es) denominated in RMB may have to convert HK dollars or other currencies into RMB when investing in Class(es) denominated in RMB and subsequently convert the RMB redemption proceeds and/or distributions (if any) back to HK dollars or such other currencies. Investors will incur currency conversion costs and may suffer losses depending on the exchange rate movements of RMB relative to HK dollars or such other currencies. Also, there can be no assurance that RMB will not be subject to devaluation and any depreciation of RMB could adversely affect the value of the investor's investment in the Fund. Even if the Fund aims at paying redemption monies and/or distributions of RMB denominated Class(es) in RMB, the Manager may, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, pay redemption monies and/or distributions in US dollars. There is also a risk that payment of redemption monies and/or distributions in RMB may be delayed when there is not sufficient amount of RMB for currency conversion for settlement of the redemption monies and distributions in a timely manner due to the exchange controls and restrictions applicable to RMB. In any event, the redemption proceeds will be paid not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.
- **Currency Hedged Classes risk** – Each Currency Hedged Class may hedge the Fund's denominated currency back to its currency of denomination, with an aim to provide a return on investment which correlates with the return of the Class of unit which is denominated in the base currency of the Fund. The costs and resultant profit or loss on the hedging transactions will be reflected in the net asset value per unit for the units of the relevant Currency Hedged Classes. The costs relating to such hedging transactions which may be significant depending on prevailing market conditions shall be borne by that Currency Hedged Class only.

  The precise hedging strategy applied to a particular Currency Hedged Class may vary. In addition, there is no guarantee that the desired hedging instruments will be available or hedging strategy will achieve its desired result. In such circumstances, investors of the Currency Hedged Class may still be subject to the currency exchange risk on an unhedged basis (which means that, for example, if the hedging strategy in respect of the RMB Hedged Class is ineffective, depending on the exchange rate movements of RMB relative to the base currency of the Fund, and/or other currency(ies) of the non-RMB denominated underlying investment of the Fund, (i) investors may still suffer losses even if there are gains or no losses in the value of the non-RMB denominated underlying investments; or (ii) investors may suffer additional losses if the non-RMB denominated underlying investments of the Fund fall in value). If the counterparties of the instruments used for hedging purposes default, investors of the Currency Hedged Classes may be exposed to the currency exchange risk on an unhedged basis and may therefore suffer further losses.

  While the hedging strategy may protect investors of the Currency Hedged Classes against a decrease in the value of the Fund's base currency relative to the denominated currency of that Currency Hedged Class, the hedging strategy may substantially limit the benefits of any potential increase in the value of a Currency Hedged Class expressed in the Class currency, if the Currency Hedged Class' denominating currency falls against the base currency of the Fund.

- **投資風險** – 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** – 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **新興市場風險** – 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。新興市場的會計、審計及財務申報標準可能不如國際標準嚴格。國有化、徵用私產或充公性稅項、外匯管制、政治變動、政府規例、社會不穩定或外交發展均有可能對新興市場經濟或本基金之投資價值構成不利影響。
- **集中風險** – 本基金可能集中投資於東南亞國家協會成員國。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **小型公司風險** – 由於中小型公司的流通性較低、較容易受經濟狀況轉變影響，以及未來增長前景亦較為不確定，所以股價可能會較大型公司更為波動。
- **貨幣風險** – 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **流通性風險** – 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。
- **與東南亞國家協會成員國若干股市的較高波幅相關的風險** – 若干市場的較高市場波幅及潛在結算困難亦可能導致在該等市場交易的證券之價格出現大幅波動，因此可能對基金的價值造成不利影響。
- **衍生工具風險** – 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。
- **類別貨幣風險** – 各類別之類別貨幣可能不同於基金之基本貨幣及其所投資的資產之貨幣及／或投資者之投資的基本貨幣。倘若投資者將其投資之基本貨幣轉換為類別貨幣以投資於一特定類別，及於其後將贖回所得由該類別貨幣轉換至其原有之投資基本貨幣，投資者可能因該類別貨幣對該原有貨幣貶值而蒙受損失。舉例而言，倘投資者之投資基本貨幣為港元（即非澳元）而選擇投資於澳元對沖類別，則該投資者可能承受較高的貨幣風險。與以澳元為原有之投資基本貨幣的投資者相比，該投資者可能因在將其澳元投資再轉換回港元時，港元與澳元之匯率波動而蒙受較高損失。
- **人民幣貨幣風險** – 人民幣匯率為一個受管理的浮動匯率，匯率基於市場供求及參考一籃子外國貨幣而釐定。人民幣匯率亦受制於外匯管制政策。於銀行間外匯市場中人民幣兌其他主要貨幣可按中華人民共和國之有關主管機構發佈的中央平價窄幅上落。由於匯率受政府政策及市場力量影響，人民幣兌包括美元及港元在內的其他貨幣的匯率將容易因外圍因素而變動。因此，投資於以人民幣計價的類別可能會因人民幣與其他外幣之間的匯率波動而受到不利的影響。人民幣現時不可自由兌換。將境外人民幣(CNH)兌換為境內人民幣(CNY)是一項貨幣管理程序，須遵守由中國政府實施的外匯管制政策及限制。

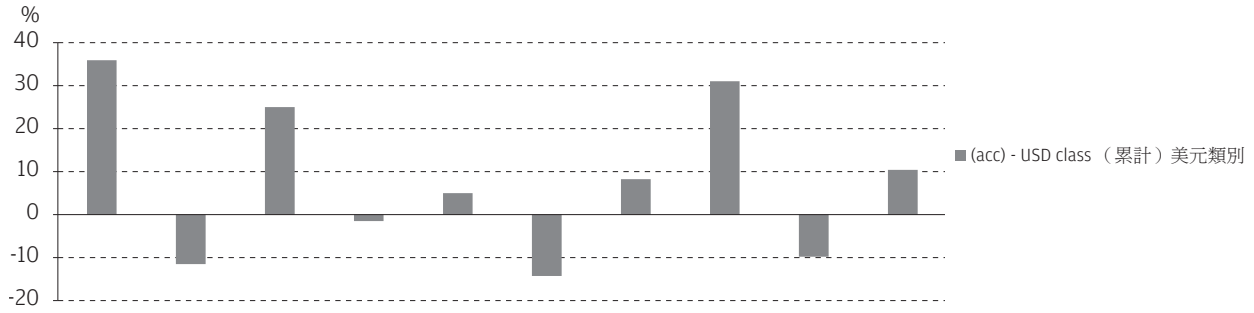
  人民幣類別一般參考境外人民幣(CNH)而非境內人民幣(CNY)計價。境外人民幣(CNH)及境內人民幣(CNY)雖屬相同貨幣，但有關貨幣在獨立運作的不同和個別市場上買賣。因此，境外人民幣(CNH)與境內人民幣(CNY)的匯率未必相同，匯率走勢亦可能不一樣。境外人民幣(CNH)與境內人民幣(CNY)間出現任何差異，可能對投資者造成不利影響。以人民幣計價的類別參與境外人民幣(CNH)市場，可在中國大陸境外自由交易境外人民幣(CNH)。以人民幣計價的類別毋須將境外人民幣(CNH)匯成境內人民幣(CNY)。並非以人民幣為基本貨幣的投資者（如香港投資者），在投資以人民幣計價的類別時可能須將港元或其他貨幣兌換為人民幣，其後亦須將人民幣贖回所得款項及／或人民幣分派（如有）兌換為港元或該等其他貨幣。投資者將招致匯兌成本，並可能蒙受損失，視乎人民幣相對於港元或該等其他貨幣的匯率走勢而定。此外，不能保證人民幣不會貶值，而人民幣貶值可對投資者於基金的投資價值產生不利影響。

  即使基金打算以人民幣支付贖回款項及／或以人民幣計價的類別的分派，惟在極端市況下市場未能提供足夠人民幣作貨幣兌換時及獲信託管理人批准後，經理人可以美元支付贖回款項及／或分派。如因人民幣適用的外匯管制政策及限制而未能及時具備足夠的人民幣供結算贖回款項及／或分派，亦存在以人民幣支付的贖回款項及／或分派或會被延誤的風險。無論如何，贖回所得款項將於單位被贖回及經理人已接獲以指定格式正式填妥之贖回要求及信託管理人或經理人可能合理要求之其他資料之有關交易日後一個曆月內支付。
- **貨幣對沖類別風險** – 各貨幣對沖類別可將基金之計價貨幣對沖回其計價貨幣，旨在提供與以基金之基本貨幣計價的類別相關的投資回報。對沖交易的成本及所得盈虧將會反映於有關貨幣對沖類別單位之每單位資產淨值內。有關該等對沖交易的任何成本視乎當前市況而定可屬重大，將只由該貨幣對沖類別承擔。

  應用於某特定貨幣對沖類別之確切對沖策略或會不同。此外，概不保證能夠獲得預期的對沖工具或對沖策略將會達到預期效果。在該等情況下，貨幣對沖類別之投資者可能仍需承受未對沖之貨幣兌換風險（舉例而言，如人民幣對沖類別之對沖策略無效，視乎人民幣相對於基金的基本貨幣，及／或該基金的非人民幣計價相關資產的其他貨幣的匯率走勢而定：(i)即使非人民幣計價的相關資產的價值上有收益或並無虧損，投資者仍可能蒙受損失；或(ii)如基金的非人民幣計價相關資產的價值下跌，投資者可能蒙受額外損失）。倘若用作對沖目的之工具之交易對象違約，貨幣對沖類別的投資者可能承受未對沖的貨幣兌換風險及可能因此承受進一步損失。

  儘管對沖策略可能保護貨幣對沖類別的投資者免受基金的基本貨幣相對於貨幣對沖類別之計價貨幣之價值下跌所影響，惟倘若貨幣對沖類別之計價貨幣對基金之基本貨幣下跌，則該對沖策略可能大幅限制以類別貨幣列值的貨幣對沖類別之任何潛在升值的利益。

How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	35.9	-11.5	25.0	-1.5	5.0	-14.3	8.2	31.0	-9.8	10.4

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views "(acc) - USD class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Fund launch date: 1983
- Class launch date: 1983
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（累計）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：1983
- 單位類別成立日期：1983

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.5% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.5%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.018% of NAV p.a. (maximum 0.2%) 每年資產淨值之0.018%（最高可達0.2%）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- Investors may obtain the past performance information of other classes offered to Hong Kong investors from am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。
- 投資者可於 am.jpmorgan.com/hk[1] 取得其他向香港投資者銷售的單位類別之過往業績資料。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_AAQ903/DP/v19/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Asia Equity Dividend Fund
摩根亞洲股息基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Sub-Manager 助理經理人：	JPMorgan Asset Management (UK) Ltd.^, UK (internal delegation) 英國（同集團委任） ^ The Sub-Manager is only responsible for the currency management of the Currency Hedged Classes set out in the sub-section "Ongoing charges over a year". For the Currency Hedged Classes with the suffix "(PRC)" which are available to PRC investors, JF Asset Management Limited (the "Investment Manager"), a company incorporated with limited liability in Hong Kong, is responsible for the day-to-day investment management and currency management decision without any further delegation. ^ 助理經理人只負責「全年經常性開支比率」分節所載貨幣對沖類別的貨幣管理。就以「（中國）」為後綴之可提供予中國投資者之貨幣對沖類別而言，JF資產管理有限公司（「投資經理人」，該公司乃於香港註冊成立之有限公司）負責日常投資管理及貨幣管理決定而並無作任何進一步轉授。
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Limited 滙豐機構信託服務（亞洲）有限公司

Ongoing charges over a year 全年經常性開支比率：

(acc) - HKD class[1]	（累計）港元類別[1]	1.59%†
(acc) - RMB (hedged) class	（累計）人民幣對沖類別	1.59%†
(acc) - USD class[1]	（累計）美元類別[1]	1.59%†
(mth) - AUD (hedged) class	（每月派息）澳元對沖類別	1.59%†
(mth) - CAD (hedged) class	（每月派息）加元對沖類別	1.59%†
(mth) - EUR (hedged) class	（每月派息）歐元對沖類別	1.59%†
(mth) - GBP (hedged) class	（每月派息）英鎊對沖類別	1.59%†
(mth) - HKD class	（每月派息）港元類別	1.59%†
(mth) - NZD (hedged) class	（每月派息）紐元對沖類別	1.59%†
(mth) - RMB (hedged) class[2]	（每月派息）人民幣對沖類別[2]	1.59%†
(mth) - SGD (hedged) class	（每月派息）新加坡元對沖類別	1.59%†
(mth) - USD class	（每月派息）美元類別	1.59%†

† The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year.

[1] This class is distributed via selective distributors only.

[2] This class is not available on the J.P. Morgan eTrading platform.

† 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。

[1] 此類別只由指定分銷商分銷。

[2] 摩根網上交易平台並不提供此類別。

Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The classes offered in Hong Kong are in Australian dollars, Canadian dollars, Euro, Sterling, HK dollars, New Zealand dollars, Renminbi, Singapore dollars and US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別分別以澳元、加元、歐元、英鎊、港元、紐元、人民幣、新加坡元及美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。

Issued by JPMorgan Funds (Asia) Ltd. 由摩根基金（亞洲）有限公司刊發

Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class)/ (mth) class - Monthly distribution* Distributions may be paid out of capital which represents a return or withdrawal of part of the amount an investor originally invested or from any capital gains attributable to that original investment. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit. （累計）類別 — 累計（收益將保留並撥作投資相應類別）／ （每月派息）類別 — 每月分派* 分派可能從資本撥款，即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。基金作出任何分派均可能導致每單位資產淨值即時下跌。
Financial year end **財政年度終結日：**	30 September 9月30日
Minimum investment **最低投資額：**	Lump-sum (same amount for initial/additional): For RMB denominated Classes: RMB16,000 or its equivalent in another currency For other Classes: USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）： 就以人民幣計價的類別而言：人民幣16,000元或其他貨幣之等值 就其他類別而言：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.

* Any distributions will be reinvested automatically in the subscription of further units of the corresponding Class of units of the Fund, or paid in cash provided certain conditions are met. Please refer to the section "DISTRIBUTION POLICY" in the Explanatory Memorandum of the Fund. The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval and one month's prior notice to the relevant unitholders.

經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

* 任何分派將自動再投資於認購基金相應單位類別的更多單位（或於符合若干特定情況下，以現金分派）。請參閱本基金的基金說明書內之「收益分派政策」一節。經理人可全權酌情決定修改收益分派政策，惟須獲得證監會事先批准，及須給予相關單位持有人一個月的事先通知。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

To aim to provide income and long term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in equity securities of companies in the Asia Pacific region (excluding Japan) that the investment manager expects to pay dividends. The Fund's holding of these equity securities will be selected based on historical records and company announcements on dividends, in addition to their potential for long term capital appreciation. The value of the Fund's holding of equity securities of companies which are based in, listed on stock exchange of or operate principally in the Asia Pacific region (excluding Japan) and are expected to pay dividends shall not be less than 70% of its total net asset value in securities and other investments.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund may invest less than 30% of its total net asset value in Real Estate Investment Trusts ("REITs") domiciled or investing in Asia Pacific region (excluding Japan).

The Fund's aggregate exposure (direct and indirect) to China A-Shares and B-Shares may not exceed 10% of its total net asset value and should this investment policy in China A-Shares and/or B-Shares change in the future, one month's prior notice will be given to unitholders and the offering document will be updated accordingly.

The Fund may also invest in derivatives as permitted by the SFC from time to time such as options, warrants and futures for investment purposes.

The Fund will not invest more than 10% of its total net asset value in securities issued by or guaranteed by any single sovereign (including its government, public or local authority) with a credit rating below investment grade.

The Fund will have limited RMB denominated underlying investments.

透過主要（即將其總資產淨值至少70%）投資於亞太區（日本除外）內投資經理人預期會派發股息的公司之股票，以期提供收益及長期資本增長。基金所持有的此等股票將根據公司的過往派息紀錄及公布，以及其長期資本增長潛力而挑選。基金所持以亞太區（日本除外）為基地、在當地交易所上市或主要在當地經營及預期會派發股息之公司股票的價值，不得少於其屬於證券及其他投資之總資產淨值的70%。
基金在任何行業可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。
基金可將其總資產淨值少於30%投資於在亞太區（日本除外）註冊或投資的房地產投資信託。
基金於中國A股及B股的總投資（直接及間接）不可超過其總資產淨值的10%。該有關中國A股及/或B股的投資政策於未來如有改變，經理人將向單位持有人發出一個月的事先通知，而銷售文件將作出相應更新。
基金亦可為投資目的而投資於證監會不時允許的衍生工具，例如期權、認股權證及期貨。
基金不會將其總資產淨值10%以上投資於信貸評級低於投資級別的任何單一國家（包括其政府、公共或地方當局）所發行或擔保的證券。
基金將有限度投資於以人民幣計價相關投資項目。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Dividend-paying equity risk** – There can be no guarantee that the companies that the Fund invests in and which have historically paid dividends will continue to pay dividends or to pay dividends at the current rates in the future. The reduction or discontinuation of dividend payments may have a negative impact on the value of the Fund's holdings and consequently, the Fund may be adversely impacted.
- **Emerging markets risk** – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Certain countries in the Asia Pacific region may be considered emerging markets countries. Accounting, auditing and financial reporting standards in emerging markets may be less rigorous than international standards. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Fund's investments.
- **Concentration risk** – The Fund may concentrate its investments in the Asia Pacific region (excluding Japan). Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area.
- **Smaller companies risk** – The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or

adverse investor perceptions, particularly in respect of larger transaction sizes. The performance of the Fund may therefore be adversely affected.

- **Risk associated with high volatility of the equity market in the Asian region** – High market volatility and potential settlement difficulties in the markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Fund.
- **Hedging risk** – The Manager, the Investment Manager and the Sub-Manager are permitted, in their absolute discretion, but not obliged, to use hedging techniques to attempt to reduce market and currency risks. There is no guarantee that hedging techniques if used, will achieve the desired result nor that hedging techniques will be used, in those cases, the Fund may be exposed to the existing market and currency risks and may be adversely impacted. The hedging, if any, against foreign exchange risks may or may not be up to 100% of assets of the Fund.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **Class currency risk** – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not Australian dollars) and chooses to invest in the AUD Hedged Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and Australian dollars upon the reconversion of its Australian dollars investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in Australian dollars.
- **Distribution risk** – Except for the Classes with the suffix "(acc)" which are accumulation Classes and will not normally pay distributions, the Manager intends to distribute at least 85% of the income (net of expenses) attributable to each Class in respect of each accounting period. However, there is no assurance on such distribution or the distribution rate or dividend yield.
- **Payment of distributions out of capital risk** – Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realized and unrealized capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment. As a result, the capital that the Fund has available for investment in the future and capital growth may be reduced. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value of units. Also, a high distribution yield does not imply a positive or high return on the total investment.

  The distribution amount and NAV of the Currency Hedged Classes may be adversely affected by differences in the interest rates of the denominated currency of the Currency Hedged Classes and the base currency of the Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-hedged Classes.
- **RMB currency risk** – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the People's Republic of China. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including US dollars and HK dollars, are susceptible to movements based on external factors. Accordingly, the investment in Classes denominated in RMB may be adversely affected by the fluctuations in the exchange rate between RMB and other foreign currencies. RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government.

  Class(es) denominated in RMB will generally be valued with reference to RMB (CNH) rather than RMB (CNY). While RMB (CNH) and RMB (CNY) represent the same currency, they are traded in different and separate markets which operate independently. As such RMB (CNH) does not necessarily have the same exchange rate and may not move in the same direction as RMB (CNY). Any divergence between RMB (CNH) and RMB (CNY) may adversely impact investors. Class(es) denominated in RMB participate in the offshore RMB (CNH) market, which allow investors to freely transact CNH outside of mainland China. Class(es) denominated in RMB will have no requirement to remit CNH to onshore RMB (CNY). Non-RMB based investors (e.g. Hong Kong investors) in Class(es) denominated in RMB may have to convert HK dollars or other currencies into RMB when investing in Class(es) denominated in RMB and subsequently convert the RMB redemption proceeds and/or distributions (if any) back to HK dollars or such other currencies. Investors will incur currency conversion costs and may suffer losses depending on the exchange rate movements of RMB relative to HK dollars or such

other currencies. Also, there can be no assurance that RMB will not be subject to devaluation and any depreciation of RMB could adversely affect the value of the investor's investment in the Fund.

Even if the Fund aims at paying redemption monies and/or distributions of RMB denominated Class(es) in RMB, the Manager may, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, pay redemption monies and/or distributions in US dollars. There is also a risk that payment of redemption monies and/or distributions in RMB may be delayed when there is not sufficient amount of RMB for currency conversion for settlement of the redemption monies and distributions in a timely manner due to the exchange controls and restrictions applicable to RMB. In any event, the redemption proceeds will be paid not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.

- **Currency Hedged Classes risk** – Each Currency Hedged Class may hedge the Fund's denominated currency back to its currency of denomination, with an aim to provide a return on investment which correlates with the return of the Class of unit which is denominated in the base currency of the Fund. The costs and resultant profit or loss on the hedging transactions will be reflected in the net asset value per unit for the units of the relevant Currency Hedged Classes. The costs relating to such hedging transactions which may be significant depending on prevailing market conditions shall be borne by that Currency Hedged Class only.

  The precise hedging strategy applied to a particular Currency Hedged Class may vary. In addition, there is no guarantee that the desired hedging instruments will be available or hedging strategy will achieve its desired result. In such circumstances, investors of the Currency Hedged Class may still be subject to the currency exchange risk on an unhedged basis (which means that, for example, if the hedging strategy in respect of the RMB Hedged Class is ineffective, depending on the exchange rate movements of RMB relative to the base currency of the Fund, and/or other currency(ies) of the non-RMB denominated underlying investment of the Fund, (i) investors may still suffer losses even if there are gains or no losses in the value of the non-RMB denominated underlying investments; or (ii) investors may suffer additional losses if the non-RMB denominated underlying investments of the Fund fall in value.) If the counterparties of the instruments used for hedging purposes default, investors of the Currency Hedged Classes may be exposed to the currency exchange risk on an unhedged basis and may therefore suffer further losses.

  While the hedging strategy may protect investors of the Currency Hedged Classes against a decrease in the value of the Fund's base currency relative to the denominated currency of that Currency Hedged Class, the hedging strategy may substantially limit the benefits of any potential increase in the value of a Currency Hedged Class expressed in the Class currency, if the Currency Hedged Class' denominating currency falls against the base currency of the Fund.

- **投資風險** – 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** – 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **派息股票風險** – 概無保證本基金所投資並於以往曾派息的公司將於未來繼續派息或以現時比率派息。減少或終止派息可能對本基金的持股價值構成負面影響，因此本基金可能受到不利影響。
- **新興市場風險** – 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。若干於亞太區之國家可能被視作新興市場國家。新興市場的會計、審計及財務申報標準可能不如國際標準嚴格。國有化、徵用私產或充公性稅項、外匯管制、政治變動、政府規例、社會不穩定或外交發展均有可能對新興市場經濟或本基金之投資價值構成不利影響。
- **集中風險** – 本基金可能集中投資於亞太區（日本除外）。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **小型公司風險** – 由於中小型公司的流通性較低、較容易受經濟狀況轉變影響，以及未來增長前景亦較為不確定，所以股價可能會較 大型公司更為波動。
- **貨幣風險** – 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **流通性風險** – 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。基金之表現可能因而會受不利影響。
- **與亞洲地區股市的較高波幅相關的風險** – 該等市場的較高市場波幅及潛在結算困難亦可能導致在該等市場交易的證券之價格出現大幅波動，因此可能對基金的價值造成不利影響。

- **對沖風險** – 經理人、投資經理人及助理經理人獲准有絕對酌情權（但並非必須）採用對沖方法以嘗試減低市場及貨幣風險。概無保證該等對沖方法（如採用）將會達到預期之效果或該等對沖方法將獲得採用，在該等情形下，基金可能需承受現有之市場及貨幣風險，並可能受到不利影響。對匯率風險所作出的對沖（如有）可能或未必高達基金資產之100%。
- **衍生工具風險** – 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。
- **類別貨幣風險** – 各類別之類別貨幣可能不同於基金之基本貨幣及其所投資的資產之貨幣及/或投資者之投資的基本貨幣。倘若投資者將其投資之基本貨幣轉換為類別貨幣以投資於一特定類別，及於其後將贖回所得由該類別貨幣轉換至其原有之投資基本貨幣，投資者可能因該類別貨幣對該原有貨幣貶值而蒙受損失。舉例而言，倘投資者之投資基本貨幣為港元（即非澳元）而選擇投資於澳元對沖類別，則該投資者可能承受較高的貨幣風險。與以澳元為原有之投資基本貨幣的投資者相比，該投資者可能因在將其澳元投資再轉換回港元時，港元與澳元之匯率波動而蒙受較高損失。
- **分派風險** – 除以「（累計）」為後綴之類別（其為累計類別及通常不會支付分派）外，經理人擬在扣除開支後，將各類別在每一會計期間分別應佔之收益的最少85%作出分派。然而，該分派或分派率或收益率並不獲保證。
- **從資本撥款作出分派之風險** – 當基金所產生之收入並不足夠支付基金宣佈之分派時，經理人可酌情決定該等分派可能由資本（包括實現與未實現資本收益）撥款支付。投資者應注意，從資本撥款支付分派即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。因此，基金未來可用作投資的資本及資本增值或會減少。基金作出任何分派均可能導致每單位資產淨值即時下跌。此外，高分派收益並不代表總投資的正或高回報。

  貨幣對沖類別之分派金額及資產淨值可能受到貨幣對沖類別的計價貨幣與基金的基本貨幣之利率差異的不利影響，導致從資本撥款支付分派的金額增加，繼而使資本被侵蝕的程度較其他非對沖類別為高。
- **人民幣貨幣風險** – 人民幣匯率為一個受管理的浮動匯率，匯率基於市場供求及參考一籃子外國貨幣而釐定。人民幣匯率亦受制於外匯管制政策。於銀行間外匯市場中人民幣兌其他主要貨幣可按中華人民共和國之有關主管機構發佈的中央平價窄幅上落。由於匯率受政府政策及市場力量影響，人民幣兌包括美元及港元在內的其他貨幣的匯率將容易因外圍因素而變動。因此，投資於以人民幣計價的類別可能會因人民幣與其他外幣之間的匯率波動而受到不利的影響。人民幣現時不可自由兌換。將境外人民幣(CNH)兌換為境內人民幣(CNY)是一項貨幣管理程序，須遵守由中國政府實施的外匯管制政策及限制。

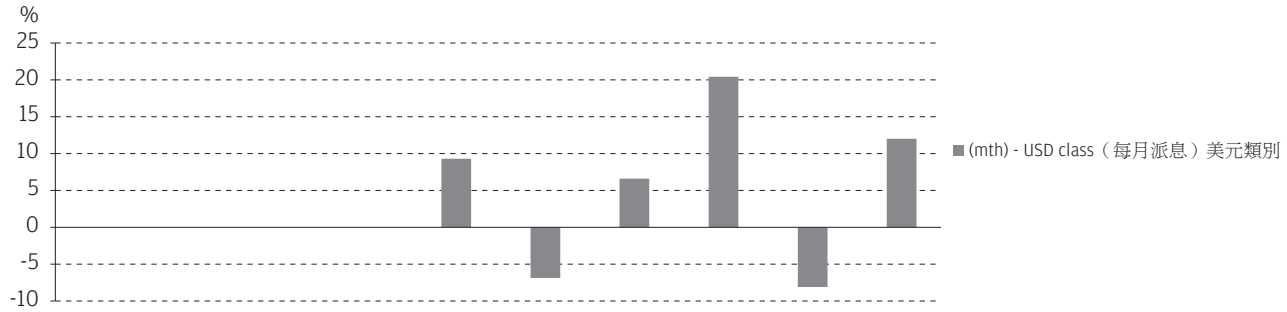
  人民幣類別一般參考境外人民幣(CNH)而非境內人民幣(CNY)計價。境外人民幣(CNH)及境內人民幣(CNY)雖屬相同貨幣，但有關貨幣在獨立運作的不同和個別市場上買賣。因此，境外人民幣(CNH)與境內人民幣(CNY)的匯率未必相同，匯率走勢亦可能不一樣。境外人民幣(CNH)與境內人民幣(CNY)間出現任何差異，可能對投資者造成不利影響。以人民幣計價的類別參與境外人民幣(CNH)市場，可在中國大陸境外自由交易境外人民幣(CNH)。以人民幣計價的類別毋須將境外人民幣(CNH)匯成境內人民幣(CNY)。並非以人民幣為基本貨幣的投資者（如香港投資者），在投資以人民幣計價的類別時可能須將港元或其他貨幣兌換為人民幣，其後亦須將人民幣贖回所得款項及／或人民幣分派（如有）兌換為港元或該等其他貨幣。投資者將招致匯兌成本，並可能蒙受損失，視乎人民幣相對於港元或該等其他貨幣的匯率走勢而定。此外，不能保證人民幣不會貶值，而人民幣貶值可對投資者於基金的投資價值產生不利影響。

  即使基金打算以人民幣支付贖回款項及／或以人民幣計價的類別的分派，惟在極端市況下市場未能提供足夠人民幣作貨幣兌換時及獲信託管理人批准後，經理人可以美元支付贖回款項及／或分派。如因人民幣適用的外匯管制政策及限制而未能及時具備足夠的人民幣供結算贖回款項及／或分派，亦存在以人民幣支付的贖回款項及／或分派或會被延誤的風險。無論如何，贖回所得款項將於單位被贖回及經理人已接獲以指定格式正式填妥之贖回要求及信託管理人或經理人可能合理要求之其他資料之有關交易日後一個曆月內支付。
- **貨幣對沖類別風險** – 各貨幣對沖類別可將基金之計價貨幣對沖回其計價貨幣，旨在提供與以基金之基本貨幣計價的類別相關的投資回報。對沖交易的成本及所得盈虧將會反映於有關貨幣對沖類別單位之每單位資產淨值內。有關該等對沖交易的任何成本視乎當前市況而定可屬重大，將只由該貨幣對沖類別承擔。

  應用於某特定貨幣對沖類別之確切對沖策略或會不同。此外，概不保證能夠獲得預期的對沖工具或對沖策略將會達到預期效果。在該等情況下，貨幣對沖類別之投資者可能仍需承受未對沖之貨幣兌換風險（舉例而言，如人民幣對沖類別之對沖策略無效，視乎人民幣相對於基金的基本貨幣，及／或該基金的非人民幣計價相關資產的其他貨幣的匯率走勢而定：(i)即使非人民幣計價的相關資產的價值上有收益或並無虧損，投資者仍可能蒙受損失；或(ii)如基金的非人民幣計價相關資產的價值下跌，投資者可能蒙受額外損失）。倘若用作對沖目的之工具之交易對象違約，貨幣對沖類別的投資者可能承受未對沖的貨幣兌換風險及可能因此承受進一步損失。

  儘管對沖策略可能保護貨幣對沖類別的投資者免受基金的基本貨幣相對於貨幣對沖類別之計價貨幣之價值下跌所影響，惟倘若貨幣對沖類別之計價貨幣對基金之基本貨幣下跌，則該對沖策略可能大幅限制以類別貨幣列值的貨幣對沖類別之任何潛在升值的利益。

How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	-	-	-	-	9.3	-6.9	6.6	20.4	-8.1	12.0

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- The Manager views "(mth) - USD class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Fund launch date: 2013
- Class launch date: 2013
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 如年內沒有顯示有關的業績表現，即代表當年沒有足夠數據用作提供業績表現之用。
- 經理人視「（每月派息）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：2013
- 單位類別成立日期：2013

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.5% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.5%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%, subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%，根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[1].
- Investors may obtain the past performance information of other classes offered to Hong Kong investors from am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。
- 最近12個月的分派成分（即從(i)可分派收入淨額及(ii)資本所派發的相對金額），可向經理人索取及於以下網頁查閱：am.jpmorgan.com/hk[1]。
- 投資者可於am.jpmorgan.com/hk[1]取得其他向香港投資者銷售的單位類別之過往業績資料。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_AXQ388/DP/v16/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Asia Growth Fund
摩根亞洲增長基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	(acc) - HKD class （累計）港元類別 1.66%† (acc) - RMB (hedged) class （累計）人民幣對沖類別 1.66%† (acc) - USD class （累計）美元類別 1.66%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The classes offered in Hong Kong are in Renminbi and US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別分別以人民幣及美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class) （累計）類別 — 累計（收益將保留並撥作投資相應類別）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): For RMB denominated Class: RMB16,000 or its equivalent in another currency For other Classes: USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）： 就以人民幣計價的類別而言：人民幣16,000元或其他貨幣之等值 就其他類別而言：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.
經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment objective of the Fund is to provide investors with long-term capital appreciation by investing at least 70% of its total net asset value in equity securities of companies whose predominant business will benefit from, or is related to, the growth in Asian economies. The Fund may invest up to 30% of its total net asset value in equity securities of companies in non-Asian countries. The Fund may also invest up to 10% of its total net asset value in non-equity securities in any countries.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund's aggregate exposure (direct and indirect) to China A-Shares and B-Shares may not exceed 10% of its total net asset value and should this investment policy in China A-Shares and/or B-Shares change in the future, one month's prior notice will be given to unitholders and the offering document will be updated accordingly.

The Fund may also invest in derivatives such as options, warrants and futures for investment purposes.

The Fund will have limited Renminbi (RMB) denominated underlying investments.

基金的投資目標是為投資者提供長遠資本增值，為達致此目標，基金投資其總資產淨值最少70%於其主要業務受惠於亞洲經濟體系的增長或與其有關的公司股本證券。基金可投資其總資產淨值最多30%於非亞洲國家的公司股本證券。基金亦可將其總資產淨值最多10%投資於任何國家的非股本證券。

基金在任何行業可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。

基金於中國A股及B股的總投資（直接及間接）不可超過其總資產淨值的10%。該有關中國A股及／或B股的投資政策於未來如有改變，經理人將向單位持有人發出一個月的事先通知，而銷售文件將作出相應更新。

基金亦可為投資目的而投資於衍生工具，例如期權、認股權證及期貨。

基金將有限度地投資於人民幣計價相關投資項目。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.

本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Emerging markets risk** – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Accounting, auditing and financial reporting standards in emerging markets may be less rigorous than international standards. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Fund's investments.
- **Concentration risk** – The Fund may concentrate its investments in Asia. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area.
- **Smaller companies risk** – The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes.

- **Risk associated with high volatility of the equity market in the Asian region** – High market volatility and potential settlement difficulties in the markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Fund.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **Class currency risk** – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not Australian dollars) and chooses to invest in the AUD Hedged Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and Australian dollars upon the reconversion of its Australian dollars investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in Australian dollars.
- **RMB currency risk** – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the People's Republic of China. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including US dollars and HK dollars, are susceptible to movements based on external factors. Accordingly, the investment in Classes denominated in RMB may be adversely affected by the fluctuations in the exchange rate between RMB and other foreign currencies. RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government.

  Class(es) denominated in RMB will generally be valued with reference to RMB (CNH) rather than RMB (CNY). While RMB (CNH) and RMB (CNY) represent the same currency, they are traded in different and separate markets which operate independently. As such RMB (CNH) does not necessarily have the same exchange rate and may not move in the same direction as RMB (CNY). Any divergence between RMB (CNH) and RMB (CNY) may adversely impact investors. Class(es) denominated in RMB participate in the offshore RMB (CNH) market, which allow investors to freely transact CNH outside of mainland China. Class(es) denominated in RMB will have no requirement to remit CNH to onshore RMB (CNY). Non-RMB based investors (e.g. Hong Kong investors) in Class(es) denominated in RMB may have to convert HK dollars or other currencies into RMB when investing in Class(es) denominated in RMB and subsequently convert the RMB redemption proceeds and/or distributions (if any) back to HK dollars or such other currencies. Investors will incur currency conversion costs and may suffer losses depending on the exchange rate movements of RMB relative to HK dollars or such other currencies. Also, there can be no assurance that RMB will not be subject to devaluation and any depreciation of RMB could adversely affect the value of the investor's investment in the Fund.

  Even if the Fund aims at paying redemption monies and/or distributions of RMB denominated Class(es) in RMB, the Manager may, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, pay redemption monies and/or distributions in US dollars. There is also a risk that payment of redemption monies and/or distributions in RMB may be delayed when there is not sufficient amount of RMB for currency conversion for settlement of the redemption monies and distributions in a timely manner due to the exchange controls and restrictions applicable to RMB. In any event, the redemption proceeds will be paid not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.
- **Currency Hedged Classes risk** – Each Currency Hedged Class may hedge the Fund's denominated currency back to its currency of denomination, with an aim to provide a return on investment which correlates with the return of the Class of unit which is denominated in the base currency of the Fund. The costs and resultant profit or loss on the hedging transactions will be reflected in the net asset value per unit for the units of the relevant Currency Hedged Classes. The costs relating to such hedging transactions which may be significant depending on prevailing market conditions shall be borne by that Currency Hedged Class only.

  The precise hedging strategy applied to a particular Currency Hedged Class may vary. In addition, there is no guarantee that the desired hedging instruments will be available or hedging strategy will achieve its desired result. In such circumstances, investors of the Currency Hedged Class may still be subject to the currency exchange risk on an unhedged basis (which means that, for example, if the hedging strategy in respect of the RMB Hedged Class is ineffective, depending on the exchange rate movements of RMB relative to the base currency of the Fund, and/or other currency(ies) of the non-RMB denominated underlying investment of the Fund, (i) investors may still suffer losses even if there are gains or no losses in the value of the non-RMB denominated underlying investments; or (ii) investors may suffer additional losses if the non-RMB denominated underlying investments of the Fund fall in value). If the counterparties of the instruments used for hedging purposes default, investors of the Currency Hedged Classes may be exposed to the currency exchange risk on an unhedged basis and may therefore suffer further losses.

  While the hedging strategy may protect investors of the Currency Hedged Classes against a decrease in the value of the Fund's base currency relative to the denominated currency of that Currency Hedged Class, the hedging strategy may substantially limit the benefits of any potential increase in the value of a Currency Hedged Class expressed in the Class currency, if the Currency Hedged Class' denominating currency falls against the base currency of the Fund.

- **投資風險** – 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** – 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **新興市場風險** – 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。新興市場的會計、審計及財務申報標準可能不如國際標準嚴格。國有化、徵用私產或充公性稅項、外匯管制、政治變動、政府規例、社會不穩定或外交發展均有可能對新興市場經濟或本基金之投資價值構成不利影響。
- **集中風險** – 本基金可能集中投資於亞洲。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **小型公司風險** – 由於中小型公司的流通性較低、較容易受經濟狀況轉變影響，以及未來增長前景亦較為不確定，所以股價可能會較大型公司更為波動。
- **貨幣風險** – 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **流通性風險** – 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。
- **與亞洲地區股市的較高波幅相關的風險** – 該等市場的較高市場波幅及潛在結算困難亦可能導致在該等市場交易的證券之價格出現大幅波動，因此可能對基金的價值造成不利影響。
- **衍生工具風險** – 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。
- **類別貨幣風險** – 各類別之類別貨幣可能不同於基金之基本貨幣及其所投資的資產之貨幣及／或投資者之投資的基本貨幣。倘若投資者將其投資之基本貨幣轉換為類別貨幣以投資於一特定類別，及於其後將贖回所得由該類別貨幣轉換至其原有之投資基本貨幣，投資者可能因該類別貨幣對該原有貨幣貶值而蒙受損失。舉例而言，倘投資者之投資基本貨幣為港元（即非澳元）而選擇投資於澳元對沖類別，則該投資者可能承受較高的貨幣風險。與以澳元為原有之投資基本貨幣的投資者相比，該投資者可能因在將其澳元投資再轉換回港元時，港元與澳元之匯率波動而蒙受較高損失。
- **人民幣貨幣風險** – 人民幣匯率為一個受管理的浮動匯率，匯率基於市場供求及參考一籃子外國貨幣而釐定。人民幣匯率亦受制於外匯管制政策。於銀行間外匯市場中人民幣兌其他主要貨幣可按中華人民共和國之有關主管機構發佈的中央平價窄幅上落。由於匯率受政府政策及市場力量影響，人民幣兌包括美元及港元在內的其他貨幣的匯率將容易因外圍因素而變動。因此，投資於以人民幣計價的類別可能會因人民幣與其他外幣之間的匯率波動而受到不利的影響。人民幣現時不可自由兌換。將境外人民幣(CNH)兌換為境內人民幣(CNY)是一項貨幣管理程序，須遵守由中國政府實施的外匯管制政策及限制。

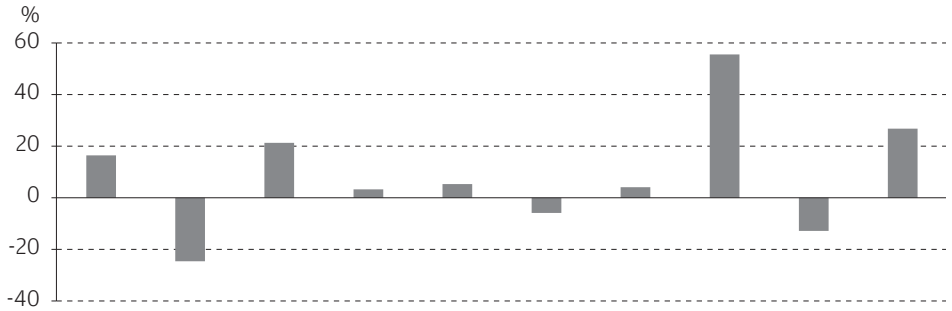
  人民幣類別一般參考境外人民幣(CNH)而非境內人民幣(CNY)計價。境外人民幣(CNH)及境內人民幣(CNY)雖屬相同貨幣，但有關貨幣在獨立運作的不同和個別市場上買賣。因此，境外人民幣(CNH)與境內人民幣(CNY)的匯率未必相同，匯率走勢亦可能不一樣。境外人民幣(CNH)與境內人民幣(CNY)間出現任何差異，可能對投資者造成不利影響。以人民幣計價的類別參與境外人民幣(CNH)市場，可在中國大陸境外自由交易境外人民幣(CNH)。以人民幣計價的類別毋須將境外人民幣(CNH)匯成境內人民幣(CNY)。並非以人民幣為基本貨幣的投資者（如香港投資者），在投資以人民幣計價的類別時可能須將港元或其他貨幣兌換為人民幣，其後亦須將人民幣贖回所得款項及／或人民幣分派（如有）兌換為港元或該等其他貨幣。投資者將招致匯兌成本，並可能蒙受損失，視乎人民幣相對於港元或該等其他貨幣的匯率走勢而定。此外，不能保證人民幣不會貶值，而人民幣貶值可對投資者於基金的投資價值產生不利影響。

  即使基金打算以人民幣支付贖回款項及／或以人民幣計價的類別的分派，惟在極端市況下市場未能提供足夠人民幣作貨幣兌換時及獲信託管理人批准後，經理人可以美元支付贖回款項及／或分派。如因人民幣適用的外匯管制政策及限制而未能及時具備足夠的人民幣供結算贖回款項及／或分派，亦存在以人民幣支付的贖回款項及／或分派或會被延誤的風險。無論如何，贖回所得款項將於單位被贖回及經理人已接獲以指定格式正式填妥之贖回要求及信託管理人或經理人可能合理要求之其他資料之有關交易日後一個曆月內支付。
- **貨幣對沖類別風險** – 各貨幣對沖類別可將基金之計價貨幣對沖回其計價貨幣，旨在提供與以基金之基本貨幣計價的類別相關的投資回報。對沖交易的成本及所得盈虧將會反映於有關貨幣對沖類別單位之每單位資產淨值內。有關該等對沖交易的任何成本視乎當前市況而定可屬重大，將只由該貨幣對沖類別承擔。

  應用於某特定貨幣對沖類別之確切對沖策略或會不同。此外，概不保證能夠獲得預期的對沖工具或對沖策略將會達到預期效果。在該等情況下，貨幣對沖類別之投資者可能仍需承受未對沖之貨幣兌換風險（舉例而言，如人民幣對沖類別之對沖策略無效，視乎人民幣相對於基金的基本貨幣，及／或該基金的非人民幣計價相關資產的其他貨幣的匯率走勢而定：(i)即使非人民幣計價的相關資產的價值上有收益或並無虧損，投資者仍可能蒙受損失；或(ii)如基金的非人民幣計價相關資產的價值下跌，投資者可能蒙受額外損失）。倘若用作對沖目的之工具之交易對象違約，貨幣對沖類別的投資者可能承受未對沖的貨幣兌換風險及可能因此承受進一步損失。

  儘管對沖策略可能保護貨幣對沖類別的投資者免受基金的基本貨幣相對於貨幣對沖類別之計價貨幣之價值下跌所影響，惟倘若貨幣對沖類別之計價貨幣對基金之基本貨幣下跌，則該對沖策略可能大幅限制以類別貨幣列值的貨幣對沖類別之任何潛在升值的利益。

How has the fund performed? 本基金過往的業績表現如何？



■ (acc) - USD class （累計）美元類別

1 On 7 April 2016, the investment objective, policy and restrictions were changed. Performance prior to 7 April 2016 was achieved under circumstances that no longer apply.

1 由2016年4月7日起，本基金的投資目標、政策及限制已作出更改。2016年4月7日之前的表現是在現時不再適用的情況下達致。

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	16.4	-24.6	21.3	3.2	5.3	-5.9	4.1	55.5	-12.9	26.8

1

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views "(acc) - USD class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- The Fund was the receiving fund in fund mergers which were completed on 7 December 2018 and 31 May 2019.
- Fund launch date: 2007
- Class launch date: 2007
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（累計）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金為2018年12月7日及2019年5月31日完成的基金合併中的接收基金。
- 本基金成立日期：2007
- 單位類別成立日期：2007

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.5% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.5%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_AOT593/DP/v19/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Asian Smaller Companies Fund
摩根亞洲小型企業基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	(acc) - HKD class （累計）港元類別 1.72%† (acc) - USD class （累計）美元類別 1.72%†† † The ongoing charges figure is estimated because the class is recently launched. The figure is based on the estimated costs and expenses of the Fund over 12 months expressed as a percentage of the estimated average net asset value of the Fund. The actual figure may be different from the estimated figure and may vary from year to year. †† The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 由於類別是近期成立，經常性開支比率為估算收費。開支比率是根據本基金12個月的估計成本及開支計算，以佔本基金估計平均資產淨值的百分比列示。實際數字可能與估算數字不同，且每年均可能有所變動。 †† 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The classes offered in Hong Kong are in HK dollars and US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別分別以港元及美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class) （累計）類別 — 累計（收益將保留並撥作投資相應類別）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.
經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment policy of the Fund is to provide investors with long term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in the equity securities of small to medium sized companies in the Asia-Pacific region, excluding Japan and Australia except the Manager may, from time to time, invest in Japan and Australia when appropriate investment opportunities arise. Equity securities of small to medium sized companies refer

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to equity securities which are included in MSCI AC Asia ex Japan Small Cap Index at the time of purchase. For avoidance of doubt, the Fund is actively managed and does not intend to track the performance of MSCI AC Asia ex Japan Small Cap Index.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

基金之投資政策為透過主要（即將其總資產淨值至少70%）投資於亞太區（日本及澳洲除外）中小型公司之股票證券，為投資者提供長遠資本增值，惟當合適的投資機會出現時，經理人可不時投資於日本及澳洲。中小型公司之股票證券指在買入時已獲納入MSCI綜合亞洲（不包括日本）小型公司指數（MSCI AC Asia ex Japan Small Cap Index）的股票證券。為免產生疑問，基金獲積極管理且不擬跟踪MSCI綜合亞洲（不包括日本）小型公司指數的表現。

基金在任何行業可投資的總資產淨值的比例不受任何限制。

基金亦可為投資目的而投資於衍生工具，例如遠期合約、期權、認股權證及期貨。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.

本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

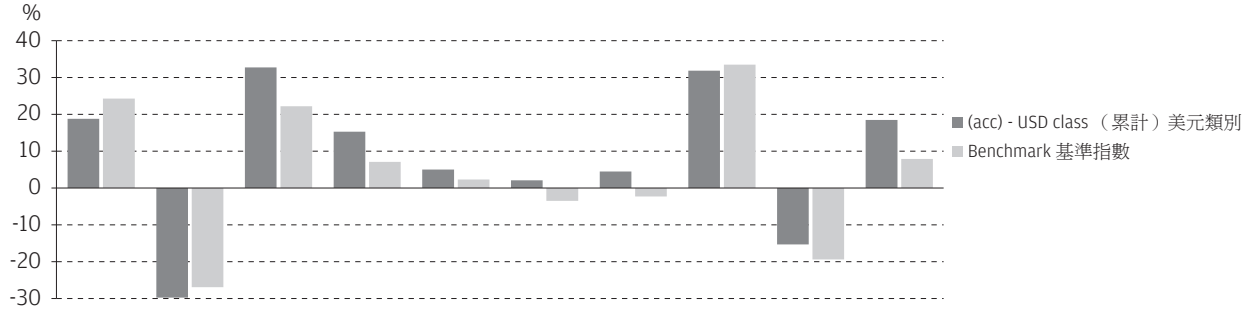
What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Emerging markets risk** – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Accounting, auditing and financial reporting standards in emerging markets may be less rigorous than international standards. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Fund's investments.
- **Concentration risk** – The Fund may concentrate its investments in the Asia-Pacific region (excluding Japan and Australia). Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area.
- **Smaller companies risk** – The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes.
- **Risk associated with high volatility of certain equity markets in the Asia-Pacific region** – High market volatility and potential settlement difficulties in certain markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Fund.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **Class currency risk** – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not USD) and chooses to invest in the USD Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and USD upon the reconversion of its USD investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in USD.

- **投資風險** – 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** – 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **新興市場風險** – 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。新興市場的會計、審計及財務申報標準可能不如國際標準嚴格。國有化、徵用私產或充公性稅項、外匯管制、政治變動、政府規例、社會不穩定或外交發展均有可能對新興市場經濟或本基金之投資價值構成不利影響。
- **集中風險** – 本基金可能集中投資於亞太區（日本及澳洲除外）。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **小型公司風險** – 由於中小型公司的流通性較低、較容易受經濟狀況轉變影響，以及未來增長前景亦較為不確定，所以股價可能會較大型公司更為波動。
- **貨幣風險** – 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **流通性風險** – 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。
- **與亞太區若干股市的較高波幅相關的風險** – 若干市場的較高市場波幅及潛在結算困難亦可能導致在該等市場交易的證券之價格出現大幅波動，因此可能對基金的價值造成不利影響。
- **衍生工具風險** – 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。
- **類別貨幣風險** – 各類別之類別貨幣可能不同於基金之基本貨幣及其所投資的資產之貨幣及／或投資者之投資的基本貨幣。倘若投資者將其投資之基本貨幣轉換為類別貨幣以投資於一特定類別，及於其後將贖回所得由該類別貨幣轉換至其原有之投資基本貨幣，投資者可能因該類別貨幣對該原有貨幣貶值而蒙受損失。舉例而言，倘投資者之投資基本貨幣為港元（即非美元）而選擇投資於美元類別，則該投資者可能承受較高的貨幣風險。與以美元為原有之投資基本貨幣的投資者相比，該投資者可能因在將其美元投資再轉換回港元時，港元與美元之匯率波動而蒙受較高損失。

How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	18.8	-29.8	32.8	15.3	5.0	2.1	4.5	31.9	-15.3	18.5
	24.3	-26.9	22.2	7.1	2.3	-3.5	-2.3	33.5	-19.4	7.9

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Benchmark of the class: MSCI AC Asia ex Japan Small Cap Index
- The Manager views "(acc) - USD class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- The Fund is the receiving fund in a fund merger on 31 May 2019.
- Fund launch date: 1991
- Class launch date: 1991

- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 單位類別之基準指數：MSCI綜合亞洲（不包括日本）小型公司指數
- 經理人視「（累計）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金為2019年5月31日的一項基金合併中的接收基金。
- 本基金成立日期：1991
- 單位類別成立日期：1991

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.5% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.5%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- Investors may obtain the past performance information of other classes offered to Hong Kong investors from am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。
- 投資者可於am.jpmorgan.com/hk[1]取得其他向香港投資者銷售的單位類別之過往業績資料。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_ABA810/DP/v16/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Asian Total Return Bond Fund
摩根亞洲總收益債券基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Sub-Manager 助理經理人：	JPMorgan Asset Management (UK) Ltd.^, UK (internal delegation) 英國（同集團委任） ^ The Sub-Manager is only responsible for the currency management of the Currency Hedged Classes set out in the sub-section "Ongoing charges over a year". For the Currency Hedged Classes with the suffix "(PRC)" which are available to PRC investors, JF Asset Management Limited (the "Investment Manager"), a company incorporated with limited liability in Hong Kong, is responsible for the day-to-day investment management and currency management decision without any further delegation. ^ 助理經理人只負責「全年經常性開支比率」分節所載貨幣對沖類別的貨幣管理。就以「（中國）」為後綴之可提供予中國投資者之貨幣對沖類別而言，JF資產管理有限公司（「投資經理人」，該公司乃於香港註冊成立之有限公司）負責日常投資管理及貨幣管理決定而並無作任何進一步轉授。
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司

Ongoing charges over a year 全年經常性開支比率：

(acc) - RMB (hedged) class	（累計）人民幣對沖類別	1.07%†
(acc) - USD class[1]	（累計）美元類別[1]	1.07%†
(mth) - AUD (hedged) class	（每月派息）澳元對沖類別	1.07%†
(mth) - CAD (hedged) class	（每月派息）加元對沖類別	1.07%†
(mth) - GBP (hedged) class	（每月派息）英鎊對沖類別	1.07%†
(mth) - HKD class	（每月派息）港元類別	1.07%†
(mth) - NZD (hedged) class	（每月派息）紐元對沖類別	1.07%†
(mth) - RMB (hedged) class[2]	（每月派息）人民幣對沖類別[2]	1.07%†
(mth) - USD class	（每月派息）美元類別	1.07%†

† The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year.

[1] This class is distributed via selective distributors only.

[2] This class is not available on the J.P. Morgan eTrading platform.

† 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。

[1] 此類別只由指定分銷商分銷。

[2] 摩根網上交易平台並不提供此類別。

Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The classes offered in Hong Kong are in Australian dollars, Canadian dollars, Euro, Sterling, HK dollars, New Zealand dollars, Renminbi, Singapore dollars and US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別分別以澳元、加元、歐元、英鎊、港元、紐元、人民幣、新加坡元及美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。

Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class)/ (mth) class - Monthly distribution* (discretionary) Distributions may be paid out of capital which represents a return or withdrawal of part of the amount an investor originally invested or from any capital gains attributable to that original investment. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit. （累計）類別 — 累計（收益將保留並撥作投資相應類別）／ （每月派息）類別 — 每月分派*（酌情決定） 分派可能從資本撥款，即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。基金作出任何分派均可能導致每單位資產淨值即時下跌。
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): For RMB denominated Classes: RMB16,000 or its equivalent in another currency For other Classes: USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）： 就以人民幣計價的類別而言：人民幣16,000元或其他貨幣之等值 就其他類別而言：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.

* Any distributions will be reinvested automatically in the subscription of further units of the corresponding Class of units of the Fund, or paid in cash provided certain conditions are met. Please refer to the section "DISTRIBUTION POLICY" in the Explanatory Memorandum of the Fund. The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval and one month's prior notice to the relevant unitholders.

經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

* 任何分派將自動再投資於認購基金相應單位類別的更多單位（或於符合若干特定情況下，以現金分派）。請參閱本基金的基金說明書內之「收益分派政策」一節。經理人可全權酌情決定修改收益分派政策，惟須獲得證監會事先批准，及須給予相關單位持有人一個月的事先通知。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment objective of the Fund is to achieve a competitive total return, consisting of capital growth and regular interest income, through an actively managed portfolio investing primarily (i.e. at least 70% of its total net asset value) in Asian bonds and other debt securities.

In order to achieve the investment objective, the Fund may invest primarily in a wide range of debt securities in Asia based on the anticipated changes in market conditions. The portfolio of the Fund will consist of fixed and floating rate bonds and other debt securities (e.g. convertible bonds, perpetual bonds, etc.) issued by governments, government agencies, supra-national and corporate issuers in Asia (including Australia and New Zealand). The Fund may also invest less than 50% of its total net asset value in bonds and other debt securities which are: (i) below investment grade (i.e. (a) bonds rated Ba1 or below by Moody's or BB+ or below by Standard & Poor's or such other terms used by international accredited rating agencies or (b) unrated bonds but their issuers are rated Ba1 or below by Moody's or BB+ or below by Standard & Poor's or such other terms used by international accredited rating agencies); or (ii) rated BB+ or below by a PRC credit rating agency or unrated but their issuers are rated BB+ or below by a PRC credit rating agency; or (iii) unrated (i.e. both the bonds and issuers are unrated by Moody's, Standard & Poor's, other international accredited rating agencies or PRC credit rating agencies).

The Fund may invest up to 20% of its total net asset value in instruments with loss-absorption features (e.g. contingent convertible debt securities, certain types of senior non-preferred debts, etc.).

The Fund will not invest more than 20% of its total net asset value in PRC onshore securities (including debt securities).

The Fund will not invest more than 20% of its total net asset value in Chinese debt securities traded in the China interbank bond market (the "CIBM") through the CIBM Initiative[1] and/or Bond Connect.

The Fund will not invest more than 10% of its total net asset value in securities issued by or guaranteed by any single sovereign (including its government, public or local authority) with a credit rating below investment grade.

The Fund may not invest more than 10% of its total net asset value in urban investment bonds[2] (城投債).

The Fund may also invest in derivatives such as options, warrants, credit default swaps ("CDS"), currency forward contracts and futures for investment purposes and may under limited circumstances as considered appropriate by the Manager and the Investment Manager, hold temporarily up to 100% of its total net asset value in cash and cash based instruments.

The Fund may invest in assets denominated mainly in US dollars and other local currencies (e.g. Thai Baht, Malaysian Ringgit, Renminbi, Philippine Peso, Indonesian Rupiah, Singapore dollar, Indian Rupee, etc.). The Fund will have limited Renminbi (RMB) denominated underlying investments.

基金之投資目標為透過一個主要（即將其總資產淨值至少70%）投資於亞洲債券及其他債務證券之積極管理組合，致力提供具競爭力的總回報（包括資本增長及定息收益）。

為達到基金之投資目標，基金可因應預期市場情況之變化，主要投資於亞洲廣泛系列之債務證券。基金的投資組合將包括由政府、政府機構、超國家組織和公司於亞洲（包括澳洲及新西蘭）發行的定息及浮息債券及其他債務證券（例如可換股債券、永續債券等）。基金亦可將其總資產淨值少於50%投資於下列債券及其他債務證券：(i)低於投資級別（即(a)獲穆迪Ba1或以下或標準普爾BB+或以下或國際認可評級機構所用其他同類術語之評級之債券或(b)本身未獲評級但其發行人獲穆迪Ba1或以下或標準普爾BB+或以下或國際認可評級機構所用其他同類術語之評級之債券）；或(ii)獲中國信貸評級機構BB+或以下評級或本身未獲評級但其發行人獲中國信貸評級機構BB+或以下評級；或(iii)未獲評級（即該等債券及發行人均未獲穆迪、標準普爾、其他國際認可評級機構或中國信貸評級機構評級）。

基金可將其總資產淨值最多20%投資於具有吸收虧損特點的工具（例如或然可換股債務證券、若干類型的高級非優先債務等）。

基金不會將其總資產淨值20%以上投資於中國境內證券（包括債務證券）。

基金不會將其總資產淨值20%以上透過中國銀行間債券市場項目[1]及／或債券通投資於在中國銀行間債券市場（「中國銀行間債券市場」）交易的中國債務證券。

基金不會將其總資產淨值10%以上投資於信貸評級低於投資級別的任何單一國家（包括其政府、公共或地方當局）所發行或擔保的證券。

基金不可將其總資產淨值10%以上投資於城投債[2]。

基金亦可為投資目的而投資於衍生工具，例如期權、認股權證、信貸違約掉期、貨幣遠期合約及期貨，並在經理人及投資經理人認為合適之有限情況下，將其總資產淨值最多100%暫時持有現金及以現金為本的工具。

基金可投資於主要以美元及其他本地貨幣（例如泰銖、馬來西亞林吉特、人民幣、菲律賓披索、印尼盾、新加坡元、印度盧比等）計價的資產。基金將有限度地投資於人民幣計價相關投資項目。

1 In February 2016, the People's Bank of China announced the opening-up of the CIBM to a wider group of eligible foreign institutional investors free of quota restriction (the "CIBM Initiative").

2 Urban investment bonds are debt instruments issued by mainland China local government financing vehicles ("LGFVs"). These LGFVs are separate legal entities established by local governments and/or their affiliates to raise financing for public welfare investment or infrastructure projects.

1 2016年2月，中國人民銀行宣佈向更多合資格境外機構投資者開放中國銀行間債券市場且不設額度限制（「中國銀行間債券市場項目」）。

2 城投債為中國內地地方政府融資平台（「地方政府融資平台」）發行之債務工具。此等地方政府融資平台為由地方政府及／或其聯繫人士成立之獨立法律實體，以籌集融資作為公共福利投資或基礎建設計劃之用途。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Risks associated with debt securities** – the Fund's investments in debt securities are subject to the following risks:
  - **Interest rate risk** – Interest rates in the countries in which the Fund's assets will be invested may be subject to fluctuations. Any such fluctuations may have a direct effect on the income received by the Fund and its capital value. Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. The prices of bonds generally increase when interest rates decline and decrease when interest rates rise. Longer term bonds are usually more sensitive to interest rate changes. The performance of the Fund may therefore be adversely affected.

- **Below investment grade/unrated investment risk** – The Fund may invest in bonds and other debt securities which are unrated or rated below investment grade by international accredited rating agencies or rated BB+ or below by a PRC credit rating agency. Accordingly, such investment will be accompanied by a higher degree of credit and liquidity risks than is present with investment in higher rated securities. During economic downturns such bonds typically fall more in value than investment grade bonds as such are often subject to a higher risk of issuer default. The NAV of the Fund may decline or be negatively affected if there is a default of any of the bonds with credit rating of below investment grade that the Fund invests in or if interest rates change.
- **Investment grade bond risk** – Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review such assigned ratings and bonds may therefore be subject to the downgrading risk if economic circumstances (e.g. subject to market or other conditions) impact the relevant bond issues. Downgrading of the bonds may adversely affect the value of the relevant bonds and therefore the performance of the Fund. The Fund may or may not be able to dispose of the bonds that are downgraded. Also, the Fund may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.
- **Sovereign debt risk** – The Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Fund to participate in restructuring such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers.
- **Valuation risk** – Valuation of the Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund.
- **Credit risk** – If the issuer of any of the securities in which the Fund's assets are invested defaults, the performance of the Fund will be adversely affected and the Fund could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the Fund. Decline in credit quality of the issuer may adversely affect the valuation of the relevant bonds and the Fund. The credit ratings assigned by credit rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or the issuer at all times.
- **Credit rating agency risk** – The credit appraisal system in the mainalnd China and the rating methodologies employed in the mainland China may be different from those employed in other markets. Credit ratings given by mainland China rating agencies may therefore not be directly comparable with those given by other international rating agencies.

- **Emerging markets risk** – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Accounting, auditing and financial reporting standards in emerging markets may be less rigorous than international standards. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Fund's investments.
- **Concentration risk** – The Fund may concentrate its investments in Asia. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes.
- **Hedging risk** – The Manager, the Investment Manager and the Sub-Managers are permitted, in their absolute discretion, but not obliged, to use hedging techniques to attempt to reduce market and currency risks. There is no guarantee that hedging techniques if used, will achieve the desired result nor that hedging techniques will be used, in those cases, the Fund may be exposed to the existing market and currency risks and may be adversely impacted. The hedging, if any, against foreign exchange risks may or may not be up to 100% of assets of the Fund.

- **Class currency risk** – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not Australian dollars) and chooses to invest in the AUD Hedged Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and Australian dollars upon the reconversion of its Australian dollars investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in Australian dollars.
- **RMB currency risk** – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the People's Republic of China. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including US dollars and HK dollars, are susceptible to movements based on external factors. Accordingly, the investment in Classes denominated in RMB may be adversely affected by the fluctuations in the exchange rate between RMB and other foreign currencies. RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government.

  Class(es) denominated in RMB will generally be valued with reference to RMB (CNH) rather than RMB (CNY). While RMB (CNH) and RMB (CNY) represent the same currency, they are traded in different and separate markets which operate independently. As such RMB (CNH) does not necessarily have the same exchange rate and may not move in the same direction as RMB (CNY). Any divergence between RMB (CNH) and RMB (CNY) may adversely impact investors. Class(es) denominated in RMB participate in the offshore RMB (CNH) market, which allow investors to freely transact CNH outside of mainland China. Class(es) denominated in RMB will have no requirement to remit CNH to onshore RMB (CNY). Non-RMB based investors (e.g. Hong Kong investors) in Class(es) denominated in RMB may have to convert HK dollars or other currencies into RMB when investing in Class(es) denominated in RMB and subsequently convert the RMB redemption proceeds and/or distributions (if any) back to HK dollars or such other currencies. Investors will incur currency conversion costs and may suffer losses depending on the exchange rate movements of RMB relative to HK dollars or such other currencies. Also, there can be no assurance that RMB will not be subject to devaluation and any depreciation of RMB could adversely affect the value of the investor's investment in the Fund.

  Even if the Fund aims at paying redemption monies and/or distributions of RMB denominated Class(es) in RMB, the Manager may, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, pay redemption monies and/or distributions in US dollars. There is also a risk that payment of redemption monies and/or distributions in RMB may be delayed when there is not sufficient amount of RMB for currency conversion for settlement of the redemption monies and distributions in a timely manner due to the exchange controls and restrictions applicable to RMB. In any event, the redemption proceeds will be paid not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.
- **Currency Hedged Classes risk** – Each Currency Hedged Class may hedge the Fund's denominated currency back to its currency of denomination, with an aim to provide a return on investment which correlates with the return of the Class of unit which is denominated in the base currency of the Fund. The costs and resultant profit or loss on the hedging transactions will be reflected in the net asset value per unit for the units of the relevant Currency Hedged Classes. The costs relating to such hedging transactions which may be significant depending on prevailing market conditions shall be borne by that Currency Hedged Class only.

  The precise hedging strategy applied to a particular Currency Hedged Class may vary. In addition, there is no guarantee that the desired hedging instruments will be available or hedging strategy will achieve its desired result. In such circumstances, investors of the Currency Hedged Class may still be subject to the currency exchange risk on an unhedged basis (which means that, for example, if the hedging strategy in respect of the RMB Hedged Class is ineffective, depending on the exchange rate movements of RMB relative to the base currency of the Fund, and/or other currency(ies) of the non-RMB denominated underlying investment of the Fund, (i) investors may still suffer losses even if there are gains or no losses in the value of the non-RMB denominated underlying investments; or (ii) investors may suffer additional losses if the non-RMB denominated underlying investments of the Fund fall in value). If the counterparties of the instruments used for hedging purposes default, investors of the Currency Hedged Classes may be exposed to the currency exchange risk on an unhedged basis and may therefore suffer further losses.

  While the hedging strategy may protect investors of the Currency Hedged Classes against a decrease in the value of the Fund's base currency relative to the denominated currency of that Currency Hedged Class, the hedging strategy may substantially limit the benefits of any potential increase in the value of a Currency Hedged Class expressed in the Class currency, if the Currency Hedged Class' denominating currency falls against the base currency of the Fund.

- **Payment of distributions out of capital risk** - Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realized and unrealized capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment, as a result, the capital that the Fund has available for investment in the future and capital growth may be reduced. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit. Also, a high distribution yield does not imply a positive or high return on the total investment.

  The distribution amount and NAV of the Currency Hedged Class may be adversely affected by differences in the interest rates of the denominated currency of the Currency Hedged Class and the base currency of the Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-Currency Hedged Classes.
- **投資風險** — 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **與債務證券相關的風險** — 基金於債務證券之投資須承受以下風險：
  - **利率風險** — 本基金之資產所投資之一些國家之利率可能會有所波動。任何該等波動可能會對本基金所收到之收益及其資本價值有直接影響。債券特別容易受到利率變動所影響，並且可能承受顯著的價格波動。債券的價格一般會隨利率下降而上升；隨利率上升而下跌。較長期債券通常對利率變動較為敏感。基金之表現可能因而會受不利影響。
  - **低於投資級別／未獲評級投資之風險** — 基金可投資於未獲評級或獲國際認可評級機構低於投資級別之評級或獲中國信貸評級機構BB+或以下評級之債券及其他債務證券。因此，該等投資將承受較其他評級較高的證券為高之信貸及流通性風險。於經濟下滑時，該等債券一般較投資級別債券價格跌幅更大，因其通常承受較高之發行人違約風險。當基金投資的任何低於投資級別的債券違約或如利率改變，基金資產淨值或會下跌或受負面影響。
  - **投資級別債券風險** — 投資級別債券獲信貸評級機構（包括但不限於惠譽、穆迪及／或標準普爾）於信用可靠性或債券發行的違約風險的基礎上給予屬於高評級界別的評級。評級機構覆核該等評級。倘若經濟環境（例如市場或其他情況）影響有關債券發行，該等債券可能因而承受評級下調風險。債券評級的下調或會對該等債券之價值造成不利影響，基金的表現亦可能因而受到不利影響。本基金不一定能夠出售被下調評級的債券。此外，基金可能面對較高不獲履行支付利息及償還本金之責任的風險。因此，投資者收回的金額可能低於原本的投資額。
  - **主權債務風險** — 基金投資於由政府發行或擔保的證券，可能承受政治、社會及經濟風險。在不利情況下，主權發行人未必能夠或願意在到期應付時償還本金及／或利息，或會要求基金參與該等債務的重組。主權債務發行人違約時，基金可能蒙受重大損失。
  - **估值風險** — 基金的投資估值或會涉及不明朗因素及判定性的決定。倘若該等估值不正確，此可能影響基金的資產淨值計算。
  - **信貸風險** — 倘若本基金之資產所投資之任何證券之發行人違約，本基金之表現將會受負面影響及本基金可能承受重大損失。定息證券不履行支付利息或本金之責任或會對本基金之表現造成不利影響。發行人的信貸質素降低，或會對有關債券及本基金之估值造成不利影響。信貸評級機構給予的信貸評級存在局限，並不保證證券及／或發行人在所有時候的信用可靠性。
  - **信貸評級機構風險** — 中國內地的信貸評價制度及中國內地採用的評級方法可能與其他市場所採用者不同。因此，中國內地評級機構給予的信貸評級可能無法與其他國際評級機構給予的評級直接比較。
- **新興市場風險** — 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。新興市場的會計、審計及財務申報標準可能不如國際標準嚴格。國有化、徵用私產或充公性稅項、外匯管制、政治變動、政府規例、社會不穩定或外交發展均有可能對新興市場經濟或本基金之投資價值構成不利影響。
- **集中風險** — 本基金可能集中投資於亞洲。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **貨幣風險** — 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **衍生工具風險** — 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。

- **流通性風險** – 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。
- **對沖風險** – 經理人、投資經理人及助理經理人獲准有絕對酌情權（但並非必須）採用對沖方法以嘗試減低市場及貨幣之風險。概無保證該等對沖方法（如採用）將會達到預期之效果或該等對沖方法將獲得採用，在該等情形下，基金可能需承受現有之市場及貨幣風險，並可能受到不利影響。對匯率風險所作出的對沖（如有）可能或未必高達基金資產之100%。
- **類別貨幣風險** – 各類別之類別貨幣可能不同於基金之基本貨幣及其所投資的資產之貨幣及/或投資者之投資的基本貨幣。倘若投資者將其投資之基本貨幣轉換為類別貨幣以投資於一特定類別，及於其後將贖回所得由該類別貨幣轉換至其原有之投資基本貨幣，投資者可能因該類別貨幣對該原有貨幣貶值而蒙受損失。舉例而言，倘投資者之投資基本貨幣為港元（即非澳元）而選擇投資於澳元對沖類別，則該投資者可能承受較高的貨幣風險。與以澳元為原有之投資基本貨幣的投資者相比，該投資者可能因在將其澳元投資再轉換回港元時，港元與澳元之匯率波動而蒙受較高損失。
- **人民幣貨幣風險** – 人民幣匯率為一個受管理的浮動匯率，匯率基於市場供求及參考一籃子外國貨幣而釐定。人民幣匯率亦受制於外匯管制政策。於銀行間外匯市場中人民幣兌其他主要貨幣可按中華人民共和國之有關主管機構發佈的中央平價窄幅上落。由於匯率受政府政策及市場力量影響，人民幣兌包括美元及港元在內的其他貨幣的匯率將容易因外圍因素而變動。因此，投資於以人民幣計價的類別可能會因人民幣與其他外幣之間的匯率波動而受到不利的影響。人民幣現時不可自由兌換。將境外人民幣(CNH)兌換為境內人民幣(CNY)是一項貨幣管理程序，須遵守由中國政府實施的外匯管制政策及限制。

  人民幣類別一般參考境外人民幣(CNH)而非境內人民幣(CNY)計價。境外人民幣(CNH)及境內人民幣(CNY)雖屬相同貨幣，但有關貨幣在獨立運作的不同和個別市場上買賣。因此，境外人民幣(CNH)與境內人民幣(CNY)的匯率未必相同，匯率走勢亦可能不一樣。境外人民幣(CNH)與境內人民幣(CNY)間出現任何差異，可能對投資者造成不利影響。以人民幣計價的類別參與境外人民幣(CNH)市場，可在中國大陸境外自由交易境外人民幣(CNH)。以人民幣計價的類別毋須將境外人民幣(CNH)匯成境內人民幣(CNY)。並非以人民幣為基本貨幣的投資者（如香港投資者），在投資以人民幣計價的類別時可能須將港元或其他貨幣兌換為人民幣，其後亦須將人民幣贖回所得款項及／或人民幣分派（如有）兌換為港元或該等其他貨幣。投資者將招致匯兌成本，並可能蒙受損失，視乎人民幣相對於港元或該等其他貨幣的匯率走勢而定。此外，不能保證人民幣不會貶值，而人民幣貶值可對投資者於基金的投資價值產生不利影響。

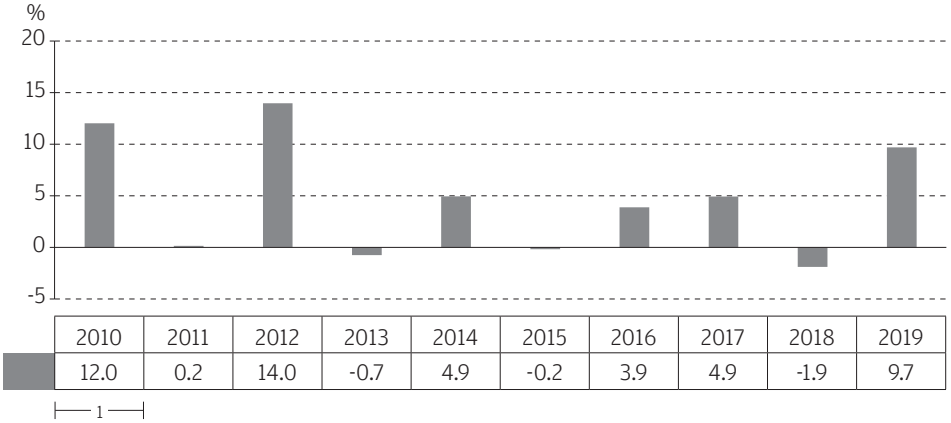
  即使基金打算以人民幣支付贖回款項及／或以人民幣計價的類別的分派，惟在極端市況下市場未能提供足夠人民幣作貨幣兌換時及獲信託管理人批准後，經理人可以美元支付贖回款項及／或分派。如因人民幣適用的外匯管制政策及限制而未能及時具備足夠的人民幣供結算贖回款項及／或分派，亦存在以人民幣支付的贖回款項及／或分派或會被延誤的風險。無論如何，贖回所得款項將於單位被贖回及經理人已接獲以指定格式正式填妥之贖回要求及信託管理人或經理人可能合理要求之其他資料之有關交易日後一個曆月內支付。
- **貨幣對沖類別風險** – 各貨幣對沖類別可將基金之計價貨幣對沖回其計價貨幣，旨在提供與以基金之基本貨幣計價的類別相關的投資回報。對沖交易的成本及所得盈虧將會反映於有關貨幣對沖類別單位之每單位資產淨值內。有關該等對沖交易的任何成本視乎當前市況而定可屬重大，將只由該貨幣對沖類別承擔。

  應用於某特定貨幣對沖類別之確切對沖策略或會不同。此外，概不保證能夠獲得預期的對沖工具或對沖策略將會達到預期效果。在該等情況下，貨幣對沖類別之投資者可能仍需承受未對沖之貨幣兌換風險（舉例而言，如人民幣對沖類別之對沖策略無效，視乎人民幣相對於基金的基本貨幣，及／或該基金的非人民幣計價相關資產的其他貨幣的匯率走勢而定：(i)即使非人民幣計價的相關資產的價值上有收益或並無虧損，投資者仍可能蒙受損失；或(ii)如基金的非人民幣計價相關資產的價值下跌，投資者可能蒙受額外損失）。倘若用作對沖目的之工具之交易對象違約，貨幣對沖類別的投資者可能承受未對沖的貨幣兌換風險及可能因此承受進一步損失。

  儘管對沖策略可能保護貨幣對沖類別的投資者免受基金的基本貨幣相對於貨幣對沖類別之計價貨幣之價值下跌所影響，惟倘若貨幣對沖類別之計價貨幣對基金之基本貨幣下跌，則該對沖策略可能大幅限制以類別貨幣列值的貨幣對沖類別之任何潛在升值的利益。
- **從資本撥款作出分派之風險** – 當基金所產生之收入並不足夠支付基金宣佈之分派時，經理人可酌情決定該等分派可能由資本（包括實現與未實現資本收益）撥款支付。投資者應注意，從資本撥款支付分派即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。因此，基金未來可用作投資的資本及資本增值或會減少。基金作出任何分派均可能導致每單位資產淨值即時下跌。此外，高分派收益並不表示總投資的正或高回報。

  貨幣對沖類別之分派金額及資產淨值可能受到貨幣對沖類別的計價貨幣與基金的基本貨幣之利率差異的不利影響，導致從資本撥款支付分派的金額增加，繼而使資本被侵蝕的程度較其他非貨幣對沖類別為高。

How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
■ (mth) - USD class （每月派息）美元類別	12.0	0.2	14.0	-0.7	4.9	-0.2	3.9	4.9	-1.9	9.7

1 On 1 February 2010, the investment policy and risk profile were changed to allow the Fund to utilize credit default swaps where appropriate. Performance prior to 1 February 2010 was achieved under circumstances that no longer apply.

1 由2010年2月1日起，本基金的投資目標及風險取向已作出更改，以容許其於適當時採用信貸違約掉期合約。2010年2月1日之前的表現是在現時不再適用的情況下達致。

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views "(mth) - USD class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Fund launch date: 2005
- Class launch date: 2005
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（每月派息）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：2005
- 單位類別成立日期：2005

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	3.0% of NAV 資產淨值之3.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%(最高可達資產淨值之0.5%)

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

摩根 資產管理

- **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

  The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
  以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.0% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.0%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

- **Other fees 其他費用**

  The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
  本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[1].
- Investors may obtain the past performance information of other classes offered to Hong Kong investors from am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。
- 最近12個月的分派成分（即從(i)可分派收入淨額及(ii)資本所派發的相對金額），可向經理人索取及於以下網頁查閱：am.jpmorgan.com/hk[1]。
- 投資者可於am.jpmorgan.com/hk[1]取得其他向香港投資者銷售的單位類別之過往業績資料。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_ALI635/DP/v23/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Australia Fund
摩根澳洲基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	(acc) - AUD class （累計）澳元類別 1.90%† (acc) - USD class （累計）美元類別 1.90%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The classes offered in Hong Kong are in Australian dollars and US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別分別以澳元及美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class) （累計）類別 — 累計（收益將保留並撥作投資相應類別）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.
經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment policy of the Fund is to provide investors with long term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in equity securities of companies listed on the Australian Securities Exchange.

The Manager aims at diversifying risks at the sector and security levels while providing exposure to the following factors that have the potential to enhance risk-adjusted returns over the long term. The Manager will adopt a proprietary quantitative process that uses multiple factors to select the securities to invest:

- **Value** – Targets equity securities with attractive prices relative to their sector peers based on fundamental characteristics of book yield, earnings yield, dividend yield and cash flow yield.
- **Momentum** (a tendency that stocks that are rising in price tend to continue to rise, while those that are falling tend to continue to fall) – Targets equity securities with higher momentum that have higher risk-adjusted returns relative to those of their sector peers over a twelve month period. Risk-adjusted returns in this case is calculated from the twelve month returns divided by the twelve month volatility.
- **Quality** – Targets equity securities with higher quality characteristics relative to their sector peers as measured by profitability, earnings quality and solvency/financial risk.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

基金之投資政策為透過主要（即將其總資產淨值至少70%）投資於在澳洲證券交易所上市的股票，為投資者提供長遠資本增值。

經理人旨在於行業及證券層面分散風險，同時利用以下有望提高長遠風險調整回報的因素。經理人將採用專有定量流程，該流程根據多重因素挑選所投資的證券：

- **價值** — 根據到期收益率、盈利收益率、股息收益率及現金流量收益率等基本因素，挑選其價格較行業內其他股票證券更加吸引的股票證券。
- **動力**（價格正在上升的股票將繼續上升，而價格正在下跌的股票將繼續下跌的趨勢）— 挑選動力較高且在12個月期間內的風險調整回報較行業內其他股票證券為高的股票證券。就此而言，風險調整回報按12個月內的回報除以12個月內的波幅計算。
- **質素** — 挑選其質素較行業內其他股票證券更高的股票證券（按盈利能力、盈利質素及償債能力／財務風險衡量）。
- 基金在任何行業可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。

基金在任何行業可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。

基金亦可為投資目的而投資於衍生工具，例如遠期合約、期權、認股權證及期貨。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.

本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

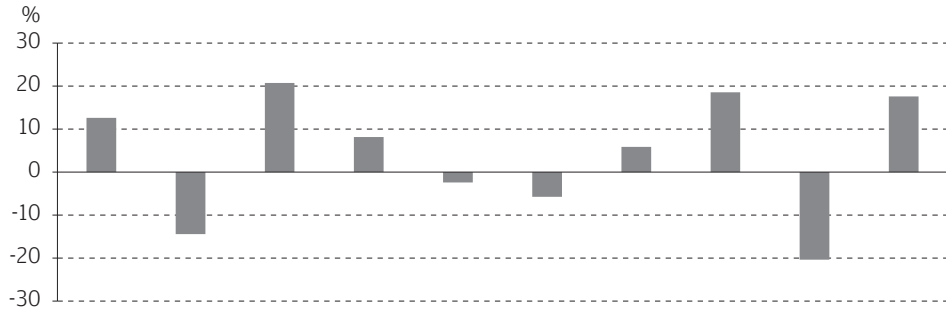
What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Concentration risk** – The Fund concentrates its investments in Australia. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographical area.
- **Risks associated with proprietary quantitative process that uses multiple factors to select securities** – Securities with positive momentum may be more volatile than the market as a whole, and that the returns on securities that previously have exhibited momentum may be less than returns on other styles of investing. Momentum can turn quickly, and stocks that previously have exhibited high momentum may not experience continued positive momentum. Also, securities that have previously been identified with strong valuation characteristics and/or quality characteristics may not continue to be good values and/or quality companies and that the returns of such securities may be less than returns on other styles of investing. In addition, there may be periods when value investing, momentum style of investing and/or quality style of investing are out of favor and therefore, the performance of the Fund may suffer.

- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. Also, a class may be designated in a currency other than the base currency of the Fund. The performance of the Fund and/or a class will therefore be affected by changes in exchange rate controls and movements in the exchange rate between these currencies and the base currency. Investors whose base currency is different (or not in a currency linked to the Fund's or a class' currency of denomination) may be exposed to additional currency risk.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **Class currency risk** – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not Australian dollars) and chooses to invest in the AUD Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and Australian dollars upon the reconversion of its Australian dollars investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in Australian dollars.
- **投資風險** — 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** — 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，本基金的資產淨值可能大幅波動，而本基金可能需蒙受重大損失。
- **集中風險** — 本基金集中投資於澳洲。投資者應注意本基金可能較投資範圍更加廣泛之基金更為波動。本基金價值可能容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **與根據多重因素挑選證券的專有定量流程相關的風險** — 動力向上的證券可能比整體市場更加波動，而過往呈現動力的證券之回報可能少於採用其他投資風格所獲得的回報。動力可能迅速轉變，過往呈現高動力的股票可能無法維持其向上動力。此外，過往被認為具備較佳估值及／或質素的證券可能不再是具備理想估值的證券及／或優質公司，而該等證券的回報可能少於採用其他投資風格所獲得的回報。此外，可能在某段期間，價值投資、動力投資風格及／或質素投資風格不再受青睞，因此，本基金的表現可能受到不利影響。
- **貨幣風險** — 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。此外，類別可能指定以本基金之基本貨幣以外的貨幣結算。因此，本基金及／或類別之表現將受外匯管制變動及該等貨幣與基本貨幣間之匯率變動所影響。基本貨幣有所不同（或並非與本基金或類別之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **流通性風險** — 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。
- **衍生工具風險** — 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。
- **類別貨幣風險** — 各類別之類別貨幣可能不同於基金之基本貨幣及其所投資的資產之貨幣及／或投資者之投資的基本貨幣。倘若投資者將其投資之基本貨幣轉換為類別貨幣以投資於一特定類別，及於其後將贖回所得由該類別貨幣轉換至其原有之投資基本貨幣，投資者可能因該類別貨幣對該原有貨幣貶值而蒙受損失。舉例而言，倘投資者之投資基本貨幣為港元（即非澳元）而選擇投資於澳元對沖類別，則該投資者可能承受較高的貨幣風險。與以澳元為原有之投資基本貨幣的投資者相比，該投資者可能因在將其澳元投資再轉換回港元時，港元與澳元之匯率波動而蒙受較高損失。

How has the fund performed? 本基金過往的業績表現如何？



■ (acc) - USD class （累計）美元類別

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	12.6	-14.4	20.7	8.1	-2.4	-5.8	5.9	18.6	-20.4	17.6

1

1 On 13 January 2020, the investment policy of the Fund was changed. Performance prior to 13 January 2020 was achieved under circumstances that no longer apply.

1 由2020年1月13日起，本基金的投資政策已作出更改。2020年1月13日之前的表現是在現時不再適用的情況下達致。

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views "(acc) - USD class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Fund launch date: 1981
- Class launch date: 1981
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（累計）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：1981
- 單位類別成立日期：1981

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	0.75% of NAV p.a. (maximum 2.5%) 每年資產淨值之0.75%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- Investors may obtain the past performance information of other classes offered to Hong Kong investors from am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。
- 投資者可於am.jpmorgan.com/hk[1]取得其他向香港投資者銷售的單位類別之過往業績資料。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_AAQ907/DP/v17/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan China A-Share Opportunities Fund
摩根中國A股機會基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager and RQFII Holder 投資經理人及RQFII持有人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司
RQFII Custodian RQFII託管人：	China Construction Bank Corporation 中國建設銀行股份有限公司
Ongoing charges over a year 全年經常性開支比率：	(acc) - HKD class （累計）港元類別 1.91%† (acc) - RMB class （累計）人民幣類別 1.91%† (acc) - USD class （累計）美元類別 1.91%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	RMB (The classes offered in Hong Kong are in HK dollars, Renminbi and US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 人民幣（在香港銷售之類別分別以港元、人民幣及美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class) （累計）類別 — 累計（收益將保留並撥作投資相應類別）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): HKD16,000 or its equivalent in another currency for the HKD Class RMB16,000 or its equivalent in another currency for the RMB Class USD2,000 or its equivalent in another currency for the USD Class 整額（首次及其後每次相同）： 就港元類別而言，16,000港元或其他貨幣之等值 就人民幣類別而言，人民幣16,000元或其他貨幣之等值 就美元類別而言：2,000美元或其他貨幣之等值

The Manager may apply a different minimum lump sum investment.
經理人可設定不同的最低整筆投資額。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
The Fund invests primarily in equity securities issued in the People's Republic of China (the "PRC") including but not limited to China A-Shares listed on the PRC stock exchanges.

本基金是一個根據香港法律以單位信託形式組成的基金。
基金主要投資於在中華人民共和國（「中國」）境內發行的股票證券，包括但不限於在中國證券交易所上市的中國A股。

Issued by JPMorgan Funds (Asia) Ltd. 由摩根基金（亞洲）有限公司刊發

Objective and investment strategy 目標及投資策略

The investment objective and policy of the Fund is to aim to achieve long-term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in equity securities issued in the PRC including but not limited to China A-Shares listed on the PRC stock exchanges (e.g. Shanghai Stock Exchange and Shenzhen Stock Exchange).

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund will invest in PRC securities via the Renminbi Qualified Foreign Institutional Investor ("RQFII") quota of the Investment Manager. The Fund may also invest and have direct access to certain eligible China A-Shares via the Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect (collectively, the "China Connect"). The Fund may invest 30% or more of its total net asset value in stocks listed on the Small and Medium Enterprise Board and/or the ChiNext Board of the Shenzhen Stock Exchange and/or the Science and Technology Innovation Board of the Shanghai Stock Exchange.

The value of the Fund's holding of China A-Shares shall not be less than 70 per cent. of its total net asset value.

The Fund may also invest up to 10 per cent. of its total net asset value in equity funds (including exchange traded funds) and other instruments issued in the PRC from time to time approved by the China Securities Regulatory Commission for investment by a RQFII.

In addition, the Fund may invest up to 15 per cent. of its total net asset value in China B-Shares listed on the PRC stock exchanges.

The Fund may invest in derivatives (which are traded outside the PRC) such as warrants for investment purposes, and forward contracts, options and futures for hedging purposes.

The Fund's total exposures to investments issued or traded outside the PRC (including but not limited to equities (e.g. H shares listed on the Hong Kong Stock Exchange), warrants, equities funds and exchange traded funds) will in aggregate be up to 30 per cent. of its total net asset value.

Currently, the Fund does not intend to i) invest in structured product or structured deposit; or ii) invest in debt securities including but not limited to urban investment bonds[1]（城投債）and asset-backed securities (including mortgage-backed securities and asset-backed commercial securities); or iii) enter into securities lending arrangements, repurchase agreements, reverse repurchase agreements or other similar over-the counter transactions. Should this investment policy change in the future, prior approval will be sought from the SFC and one month's prior notice will be given to unitholders and the offering document will be updated accordingly.

Investment Strategy

The Fund will seek to rely on the professional judgement of the Manager and the Investment Manager in making decisions about the Fund's portfolio investments. Stock selection and investment process will be a combination of top-down and bottom-up processes. Top-down process is based on the Manager's and Investment Manager's assessment of macroeconomic factors, state policies, market valuation and liquidity. Bottom up process is based on research and analysis of individual stocks alongside with financial projection and valuation.

基金的投資目標及政策為透過主要（即將其總資產淨值至少70%）投資於中國發行的股票證券，包括但不限於中國證券交易所（如上海證券交易所及深圳證券交易所）上市的中國A股，以提供長期資本增值。

基金在任何行業可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。

基金將通過投資經理人的人民幣合格境外機構投資者（「RQFII」）額度投資於中國證券。基金亦可通過「滬港通」及／或「深港通」（統稱「中華通」）投資及直接投資於若干合資格中國A股。基金可將其總資產淨值30%或以上投資於在深圳證券交易所中小企業板及／或創業板及／或上海證券交易所科技創新板上市的股票。

基金所持有的中國A股價值不得少於其總資產淨值的70%。

基金亦可投資其總資產淨值之最多10%於中國發行之股票基金（包括交易所買賣基金）及中國證監會不時允許RQFII投資之其他工具。

此外，基金亦可投資其總資產淨值之最多15%於中國證券交易所上市之中國B股。

基金可能投資於在中國境外買賣的衍生工具如認股權證作投資目的，及遠期合約、期權及期貨作對沖目的。

基金對在中國境外發行或買賣的投資（包括但不限於：股票（例如於香港交易所上市之H股）、認股權證、股票基金及交易所買賣基金）的總投資參與合計最多達其總資產淨值之30%。

現時，基金並無意圖：i)投資於結構性產品或結構性存款；或ii)投資於債務證券，當中包括但不限於城投債[1]及資產抵押證券（包括按揭證券及資產抵押商業證券）；或iii)進行證券借貸，回購協議、反向回購協議安排或類似的場外交易。本投資政策於未來如有改變，在取得證監會的批准後，經理人將向單位持有人發出一個月的事先通知，而銷售文件將作出相應更新。

投資策略

基金將根據經理人及投資經理人的專業判斷為基金的組合投資作出決策。選股及投資過程將同時揉合以由上而下及由下而上的過程。由上而下過程是基於經理人及投資經理人對宏觀經濟因素、國家政策、市場估值及流動性的評估。由下而上過程是基於對個別股票所作的研究及分析，以及財務預測及估值。

[1] Urban investment bonds are debt instruments issued by mainland China local government financing vehicles ("LGFVs"). These LGFVs are separate legal entities established by local governments and/or their affiliates to raise financing for public welfare investment or infrastructure projects.

[1] 城投債為中國內地地方政府融資平台（「地方政府融資平台」）發行之債務工具。此等地方政府融資平台為由地方政府及／或其聯繫人士成立之獨立法律實體，以籌集融資作為公共福利投資或基礎建設計劃之用途。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.

本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Emerging markets risk** – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Accounting, auditing and financial reporting standards in emerging markets may be less rigorous than international standards. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Fund's investments.
- **China market risk** – Investing in the securities markets in the PRC is subject to the risks of investing in emerging markets generally and the risks specific to the PRC market. Investments in the PRC will be sensitive to any significant change in political, social or economic policy in the PRC which includes possible government intervention. Such sensitivity may, for the reasons specified above, adversely affect the capital growth and thus the performance of these investments. The PRC government's control of currency conversion and future movements in exchange rates may adversely affect the operations and financial results of the companies that issue the relevant PRC securities invested in by the Fund. In light of the above mentioned factors, the price of PRC securities may fall significantly in certain circumstances and may have an adverse effect on the Fund's performance. The choice of "A", "B" and "H" share issues currently available to the Manager may be limited as compared with the choice available in other markets. There may also be a lower level of liquidity and trading volume in the PRC "A" and "B" share markets, which are relatively smaller in terms of both combined total market value and the number of "A" and "B" shares which are available for investment as compared with other markets. This could potentially lead to severe price volatility. There may also be potential settlement difficulties in the PRC market.

  In addition, trading band limits may be imposed by the PRC stock exchanges on China A-Shares, where trading in a China A-Share security on the relevant PRC stock exchange may be suspended if the trading price of such security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the Fund to liquidate its positions (if any) in such security. Also, it may not be possible for the Fund to liquidate positions at a favourable price even when the suspension is lifted. Such trading band limit may therefore adversely affect the Fund's investment in China A-Shares. The PRC government or the regulators may also implement policies that may affect the financial markets.
- **Concentration risk** – The Fund may concentrate its investments in the PRC. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area.
- **Smaller companies risk** – The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Risks associated with the investments in stocks listed on the Small and Medium Enterprise Board ("SME Board") and/or the ChiNext Board of the SZSE and/or the STAR Board of the SSE** – The Fund may invest in the SME Board and/or the ChiNext Board of the SZSE via the Shenzhen-Hong Kong Stock Connect and/or the STAR Board of the SSE via the Shanghai-Hong Kong Stock Connect and thus may result in significant losses for the Fund and its investors. Such investments are subject to the following risks:
  - STAR Board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in STAR Board may be concentrated in a small number of stocks and subject the Fund to higher concentration risk.
  - Listed companies on the SME Board and/or ChiNext Board and/or STAR Board are usually of emerging nature with smaller operating scale. In particular, listed companies on STAR Board are subject to wider price fluctuation limits, and due to higher entry thresholds for investors, stocks listed on STAR Board may have limited liquidity, compared to those listed on other boards. Hence, they are subject to higher fluctuation in stock prices and liquidity risks and have higher risks and turnover ratios than companies listed on the main board.
  - Stocks listed on the SME Board, ChiNext Board and/or STAR Board may be given a higher valuation and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.
  - The rules and regulations regarding companies listed on ChiNext Board and STAR Board are less stringent in terms of profitability and share capital than those on the main board and SME Board.
  - It may be more common and faster for companies listed on the SME Board, ChiNext Board and/or STAR Board to delist. In particular, STAR Board has stricter criteria for delisting compared to other boards. This may have an adverse impact on the Fund if the companies that it invests in are delisted.

- **RMB currency risk** – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the People's Republic of China. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including US dollars and HK dollars, are susceptible to movements based on external factors. Accordingly, the investment in Classes denominated in RMB may be adversely affected by the fluctuations in the exchange rate between RMB and other foreign currencies. RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government.

  Class(es) denominated in RMB will generally be valued with reference to RMB (CNH) rather than RMB (CNY). While RMB (CNH) and RMB (CNY) represent the same currency, they are traded in different and separate markets which operate independently. As such RMB (CNH) does not necessarily have the same exchange rate and may not move in the same direction as RMB (CNY). Any divergence between RMB (CNH) and RMB (CNY) may adversely impact investors. Class(es) denominated in RMB participate in the offshore RMB (CNH) market, which allow investors to freely transact CNH outside of mainland China. Class(es) denominated in RMB will have no requirement to remit CNH to onshore RMB (CNY). Non-RMB based investors (e.g. Hong Kong investors) in Class(es) denominated in RMB may have to convert HK dollars or other currencies into RMB when investing in Class(es) denominated in RMB and subsequently convert the RMB redemption proceeds and/or distributions (if any) back to HK dollars or such other currencies. Investors will incur currency conversion costs and may suffer losses depending on the exchange rate movements of RMB relative to HK dollars or such other currencies. Also, there can be no assurance that RMB will not be subject to devaluation and any depreciation of RMB could adversely affect the value of the investor's investment in the Fund.

  Even if the Fund aims at paying redemption monies and/or distributions of RMB denominated Class(es) in RMB, the Manager may, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, pay redemption monies and/or distributions in US dollars. There is also a risk that payment of redemption monies and/or distributions in RMB may be delayed when there is not sufficient amount of RMB for currency conversion for settlement of the redemption monies and distributions in a timely manner due to the exchange controls and restrictions applicable to RMB. In any event, the redemption proceeds will be paid not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.
- **PRC tax risk consideration** – There are risks and uncertainties associated with the current PRC tax laws, regulations and practice on the Fund's investments in the PRC. Any increased tax liabilities on the Fund may adversely affect the Fund's value. The Manager and Investment Manager reserve the right to provide for tax on gains of the Fund that invests in PRC securities thus impacting the valuation of the Fund. Based on professional and independent tax advice, except for gains from China A-Shares trading through China Connect or Qualified Foreign Institutional Investors or Renminbi Qualified Foreign Institutional Investors and interest derived by foreign institutional investors from bonds traded on PRC bond market which are specifically exempt under temporary exemptions from the prevailing PRC tax regulations, a tax provision of 10% is fully provided for all PRC sourced income (including gains from PRC securities, dividends and interest) until sufficient clarity is given by the PRC authorities to exempt specific types of PRC sourced income (eg. gains from PRC bonds).

  With the uncertainty of whether and how certain gains on PRC securities are to be taxed, the possibility of the laws, regulations and practice in the PRC changing, and the possibility of taxes being applied retrospectively, any provision for taxation made by the Manager and/or the Investment Manager may be excessive or inadequate to meet final PRC tax liabilities on gains derived from the disposal of PRC securities. In case of any shortfall between the provisions and actual tax liabilities, which will be debited from the Funds' assets, the Funds' net asset value will be adversely affected. Depending on the timing of investors' subscriptions and/or redemptions, they may be disadvantaged as a result of any shortfall of tax provision and/or not having the right to claim any part of the overprovision (as the case may be).
- **RQFII risk** – The Fund's ability to make the relevant investments or to fully implement or pursue its investment objective and strategy is subject to the applicable laws, rules and regulations (including restrictions on investments and repatriation of principal and profits) in the PRC, which are subject to change and such change may have potential retrospective effect. The Fund is not a RQFII but may obtain access to China A-Shares or other PRC securities eligible for RQFII investment ("RQFII Eligible Securities") directly using RQFII quotas of a RQFII. The Fund may invest directly in RQFII Eligible Securities investment via the RQFII status of the Investment Manager. Investors should note that RQFII status could be suspended or revoked, which may have an adverse effect on the Fund's performance as the Fund may not be able to invest directly in RQFII Eligible Securities and may be required to dispose of its RQFII Eligible Securities holdings and may be prohibited from repatriation of the Fund's monies. In addition, certain restrictions imposed by the Chinese government on RQFIIs may have an adverse effect on the Fund's liquidity and performance.

  The Fund may not have exclusive use of the entire RQFII quota granted to the Investment Manager, as the Investment Manager may at its discretion allocate RQFII quota which may otherwise be available to the Fund to other products. There is no assurance that the Investment Manager will make available RQFII quota that is sufficient for the Fund's investment at all times.

  Although repatriations by RQFIIs in respect of the Fund are currently not subject to repatriation restrictions, any lock up period or prior approval, there is no assurance that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Any restrictions on repatriation of the invested capital and net profits may impact on the Fund's ability to meet redemption requests from the unitholders.

Investment in securities through a RQFII will be subject to custodial risk of the RQFII Custodian appointed for the purpose of safekeeping assets in the PRC. In addition, the execution and settlement of transactions or the transfer of any funds or securities may be conducted by brokers in the PRC. If the RQFII Custodian or the PRC brokers is bankrupt/in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities), the Fund may not be able to recover all of its assets and may incur a substantial loss or total loss.

- **Application of RQFII rules** – The RQFII rules are novel in nature and their application may depend on the interpretation given by the relevant Chinese authorities. Any changes to the relevant rules may have an adverse impact on investors' investment in the Fund.
- **Risks associated with China Connect** – The Fund will be able to trade certain eligible stocks listed on Shanghai Stock Exchange ("SSE") and/or Shenzhen Stock Exchange ("SZSE") and/or the Science and Technology Innovation Board ("STAR Board") of the SSE through China Connect and thus is subject to the following risks:
  - The relevant rules and regulations on China Connect are subject to change which may have potential retrospective effect. There is no certainty as to how they will be applied.
  - The program is subject to daily quota limitations which may restrict the Fund's ability to invest in China A-Shares through the program on a timely basis.
  - Where a suspension in the trading through the program is effected, the Fund's ability to access the PRC market will be adversely affected. In such event, the Fund's ability to achieve its investment objective could be negatively affected.
  - The program requires the development of new information technology systems on the part of the stock exchanges and exchange participants and may be subject to operational risk. If the relevant systems failed to function properly, trading in both Hong Kong and Shanghai/Shenzhen markets through the program could be disrupted. The Fund's ability to access the China A-Share market (and hence to pursue its investment strategy) will be adversely affected.
  - PRC regulations impose certain restrictions on selling and hence the Fund may not be able to dispose of holdings of China A-Shares in a timely manner.
  - A stock may be recalled from the scope of eligible stocks for trading via China Connect. This may affect the investment portfolio or strategies of the Fund.
  - Trading in securities through the program may be subject to clearing and settlement risk. If the PRC clearing house defaults on its obligation to deliver securities/make payment, the Fund may suffer delays in recovering its losses or may not be able to fully recover its losses.
  - The Fund may not be able to participate in some corporate actions in respect of the SSE/SZSE securities in a timely manner. Also, the Fund may not be able to appoint proxies to attend or participate in shareholders' meetings in respect of the SSE/SZSE securities.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes. An inability to sell a portfolio position can adversely affect the Fund's value or prevent the Fund from being able to take advantage of other investment opportunities.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund. Participation in warrants, futures, options and forward contracts involves potential investment returns which the Fund would not receive, and risks of a type, level or nature to which the Funds would not be subject, in the absence of using these instruments. If the direction of movement of the securities or money markets is for or against the prediction of the Manager and/or the Investment Manager, the Fund may be placed in a position which is worse than that in which it would have been if these instruments had not been used. The performance of the Fund may therefore be adversely affected.
- **投資風險** — 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** — 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **新興市場風險** — 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。新興市場的會計、審計及財務申報標準可能不如國際標準嚴格。國有化、徵用私產或充公性稅項、外匯管制、政治變動、政府規例、社會不穩定或外交發展均有可能對新興市場經濟或本基金之投資價值構成不利影響。
- **中國市場風險** — 投資中國證券市場須承受投資新興市場的一般風險和中國市場特有的風險。在中國進行之投資將容易受到中國政治、社會或經濟政策任何重大變動之影響，包括可能之政府干預。基於上述特定理由，此種敏感度可能對資本增長，以至此等投資的表現帶來不利影響。中國政府對貨幣轉換之控制及匯率未來之變動，可能對發行基金所投資的相關中國證券之公司之營運及財務業績帶來不利影響。鑑於上述因素，中國證券之價格可能會在若干情況下大幅下跌，可能對基金之表現造成不利影響。現時可供經理人選擇之「A」、「B」及「H」股之發行，與其他市場可提供之選擇比較可能相對有限。中國「A」股及「B」股市場之流通性及交易量亦可能較低，與其他市場相比，該兩個市場就綜合總市值及可供投資「A」股及「B」股數目而言均相對較少。此情況可能導致股價大幅波動。中國市場亦可能存在潛在結算困難。

此外，中國證券交易所可能對中國A股施行交易波幅限額，據此，倘若某一中國A股證券的買賣價已上升或下跌至超逾交易波幅限額，該證券在有關證券交易所的買賣可能會被暫停。暫停買賣將使基金無法為其於該證券之持倉（如有）進行平倉。此外，即使暫停買賣其後解除，基金未必可按理想的價格平倉。該交易波幅限額可能因而對基金於中國A股之投資造成不利影響。中國政府或監管機構亦可能實施可能影響金融市場的政策。

- **集中風險** — 本基金可能集中投資於中國。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **小型公司風險** — 由於中小型公司的流通性較低、較容易受經濟狀況轉變影響，以及未來增長前景亦較為不確定，所以股價可能會較大型公司更為波動。
- **與投資於在深交所中小企業板（「中小板」）及／或創業板及／或上交所科創板上市的股票相關的風險** — 基金可透過「深港通」投資於深交所中小板 及／或創業板，及／或透過「滬港通」投資於上交所科創板，因此可能導致基金及其投資者蒙受重大損失。有關投資須承受以下風險：
  - 科創板為新設交易板塊，初期的上市公司數目有限。於科創板的投資可能集中於少數股票，故基金或會承受較高的集中風險。
  - 中小板及／或創業板及／或科創板的上市公司通常屬新興性質，經營規模較小。尤其是，科創板上市公司的股價浮動限制較寬，並基於投資者入場門檻較高，故於科創板上市的公司流通性相比其他交易板塊上市的有限。因此，相較於在主板上市的公司，於該等交易板塊上市的公司承受較高的股價波動及流通性風險，且面臨更高的風險，換手率亦更高。
  - 中小板、創業板及／或科創板上市的股票估值可能較高，而該極高估值可能無法持續。由於流通股較少，股價可能更易被操控。
  - 與在創業板及科創板上市的公司有關的規則及規例在盈利能力及股本方面可能不及主板及中小板的有關規則及規例嚴格。
  - 在中小板、創業板及／或科創板上市的公司發生除牌可能更為普遍及迅速。尤其是，科創板的除牌準則相比其他交易板塊較嚴格。倘若基金投資的公司被除牌，可能對基金構成不利影響。
- **人民幣貨幣風險** — 人民幣匯率為一個受管理的浮動匯率，匯率基於市場供求及參考一籃子外國貨幣而釐定。人民幣匯率亦受制於外匯管制政策。於銀行間外匯市場中人民幣兌其他主要貨幣可按中華人民共和國之有關主管機構發佈的中央平價窄幅上落。由於匯率受政府政策及市場力量影響，人民幣兌包括美元及港元在內的其他貨幣的匯率將容易因外圍因素而變動。因此，投資於以人民幣計價的類別可能會因人民幣與其他外幣之間的匯率波動而受到不利的影響。人民幣現時不可自由兌換。將境外人民幣(CNH)兌換為境內人民幣(CNY)是一項貨幣管理程序，須遵守由中國政府實施的外匯管制政策及限制。

  人民幣類別一般參考境外人民幣(CNH)而非境內人民幣(CNY)計價。境外人民幣(CNH)及境內人民幣(CNY)雖屬相同貨幣，但有關貨幣在獨立運作的不同和個別市場上買賣。因此，境外人民幣(CNH)與境內人民幣(CNY)的匯率未必相同，匯率走勢亦可能不一樣。境外人民幣(CNH)與境內人民幣(CNY)間出現任何差異，可能對投資者造成不利影響。以人民幣計價的類別參與境外人民幣(CNH)市場，可在中國大陸境外自由交易境外人民幣(CNH)。以人民幣計價的類別毋須將境外人民幣(CNH)匯成境內人民幣(CNY)。並非以人民幣為基本貨幣的投資者（如香港投資者），在投資以人民幣計價的類別時可能須將港元或其他貨幣兌換為人民幣，其後亦須將人民幣贖回所得款項及／或人民幣分派（如有）兌換為港元或該等其他貨幣。投資者將招致匯兌成本，並可能蒙受損失，視乎人民幣相對於港元或該等其他貨幣的匯率走勢而定。此外，不能保證人民幣不會貶值，而人民幣貶值可對投資者於基金的投資價值產生不利影響。

  即使基金打算以人民幣支付贖回款項及／或以人民幣計價的類別的分派，惟在極端市況下市場未能提供足夠人民幣作貨幣兌換時及獲信託管理人批准後，經理人可以美元支付贖回款項及／或分派。如因人民幣適用的外匯管制政策及限制而未能及時具備足夠的人民幣供結算贖回款項及／或分派，亦存在以人民幣支付的贖回款項及／或分派或會被延誤的風險。無論如何，贖回所得款項將於單位被贖回及經理人已接獲以指定格式正式填妥之贖回要求及信託管理人或經理人可能合理要求之其他資料之有關交易日後一個曆月內支付。
- **中國稅務風險考慮** — 與基金於中國之投資有關的中國現行稅務法律、法規及慣例存在風險及不確定性。倘基金承受的稅項負擔增加，可能對基金價值造成不利影響。經理人及投資經理人保留就基金投資於中國證券的收益作出稅項撥備的權利，此可能影響基金的估值。根據專業及獨立的稅務意見，除按中國現行稅務法規之暫時豁免獲特定豁免之透過中華通或合格境外機構投資者或人民幣合格境外機構投資者買賣中國A股所得收益以及境外機構投資者從中國債券市場所賺取的債券利息外，已就所有從中國賺取之收入（包括中國證券、股息及利息的收益）作出10%的全額稅項撥備，直至中國當局發出足夠明確的指引豁免特定種類之從中國賺取的收入（如中國債券的收益）為止。

  由於未能確定中國證券的若干收益是否或如何被徵稅、中國的法律、法規及慣例可能有所更改及稅項可能被追溯繳納，經理人及／或投資經理人為出售中國證券所獲取之收益而提撥的任何稅務準備可能會過多或不足以應付最終的中國稅項負擔。任何因撥備少於實際稅項負擔而造成之短缺將於該等基金的資產中扣除，對該等基金之資產淨值將造成不利影響。視乎投資者認購及／或贖回之時間，投資者可能因任何稅項撥備不足及／或無權要求獲得超額撥備之任何部份（視情況而定）而受到不利影響。
- **RQFII風險** — 基金作出有關投資或全面落實或履行其投資目標及策略的能力須受中國的適用法律、規則及規例規限（包括有關投資以及匯出本金及溢利的限制），而有關法律、規則及規例可能會變更，並可能具潛在追溯效力。基金並非RQFII，但可直接運用RQFII的RQFII額度對中國A股或RQFII允許之其他中國證券（「RQFII」允許之證券）作出投資。基金可透過投資經理人的RQFII資格直接投資於RQFII允許之證券。投資者應注意，由於基金可能因RQFII資格可被暫停或撤銷而未必能夠直接投資於RQFII允許之證券並需出售其所持RQFII允許之證券且可能被禁止匯出基金的資金，或會對基金的表現造成不利影響。

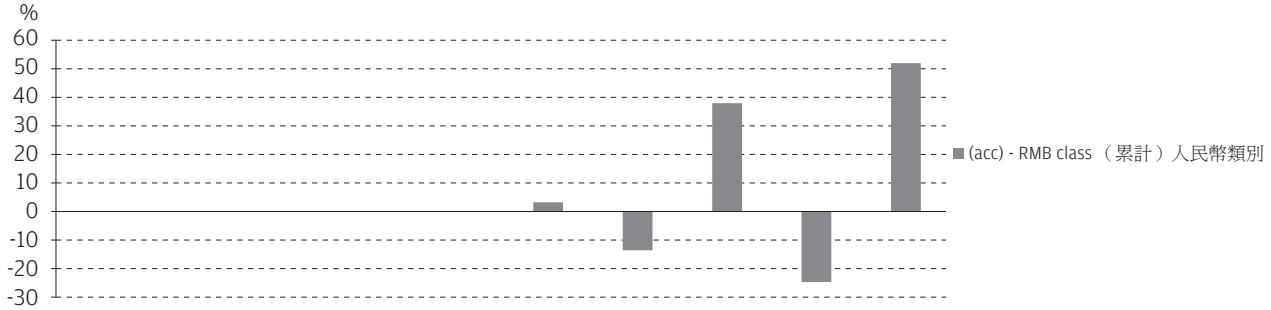
  此外，中國政府可能會在RQFII上施加某些限制，這可能會對基金的流動性及表現帶來不利影響。由於投資經理人可按其酌情決定將本應可供基金使用的RQFII額度分配至其他產品，故基金不可獨有使用投資經理人獲授予的全部RQFII額度。概不保證投資經理人可得的投資額度將時刻足夠供基金的投資使用。

雖然RQFII就基金匯出資金目前並不限於受資金匯出限制、任何鎖定期或無需獲得事先批准，但概不保證中國規則及規例不會變更或將來不施加資金匯出限制。任何對投資本金和淨利潤的匯款限制可能影響基金應付單位持有人的贖回要求之能力。

透過RQFII投資於證券將須承受為在中國妥善保管資產而委任的RQFII託管人的託管風險。此外，交易的執行及結算或者任何資金或證券的轉讓可能由中國的經紀進行。如果RQFII託管人或中國經紀破產／違責及／或喪失履行其責任的資格（包括執行或結算任何交易或轉讓資金或證券），基金未必可取回其所有資產，並可能招致重大或全數損失。

- **RQFII規則的應用** — RQFII規則性質嶄新，其應用與否可能視乎有關中國機構所給予的詮釋而定。有關規則的任何改變可能對投資者於基金的投資造成不利影響。
- **與「中華通」相關的風險** — 基金將能通過「中華通」買賣在上海證券交易所（「上交所」）及／或深圳證券交易所（「深交所」）及／或上交所科技創新板（「科創板」）上市的若干合資格股票，故此須承受以下風險：
  - 「中華通」的有關規則及規例可能會變更，並可能具潛在追溯效力，將會如何被應用仍是未知之數。
  - 「中華通」機制受每日額度限制之規限，可能限制基金及時地通過「中華通」投資於中國A股的能力。
  - 倘若通過「中華通」機制進行的交易遭暫停，基金進入中國市場的能力將受到不利影響。在該情況下，基金達致其投資目標的能力會受負面影響。
  - 「中華通」機制需要證券交易所及交易所參與者開發新的資訊科技系統，故可能承受操作風險。如果有關系統未能正常運作，香港及上海／深圳市場通過「中華通」進行的交易可能受到干擾。基金進入中國A股市場（從而執行其投資策略）的能力將受到不利影響。
  - 中國法規實施若干沽出限制，因此基金可能無法及時出售所持有的中國A股。
  - 「中華通」合資格股票可能被調出「中華通」範圍，這對基金的投資組合或策略可能會有影響。
  - 通過「中華通」買賣證券可能承受交收及結算風險。如果中國結算公司未能履行其交付證券／支付的責任，基金可能在追討損失上遇上延誤，或可能無法完全取回全數損失。
  - 基金或許不能及時參與上交所／深交所證券的若干企業行動。此外，基金或許不能委任代表出席或參與上交所／深交所證券的股東大會。
- **流通性風險** — 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。基金在未能出售其投資組合持倉的情況下，可能會對基金的價值產生不利影響或因此未能從其他投資機會中獲益。
- **衍生工具風險** — 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。參與認股權證、期貨、期權及遠期合約涉及不利用此等工具則不會承受或承擔不同類型、水平或性質的潛在投資回報或風險。若證券或貨幣市場之動向與經理人及投資經理人所預測者相符或相違，則對基金造成之結果可能比於未使用此等工具時更壞。基金之表現可能因而會受不利影響。

How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	-	-	-	-	-	3.2	-13.6	37.9	-24.7	52.0

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in RMB including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- The Manager views "(acc) - RMB class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Fund launch date: 2014
- Class launch date: 2014

- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以人民幣計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 如年內沒有顯示有關的業績表現，即代表當年沒有足夠數據用作提供業績表現之用。
- 經理人視「（累計）人民幣類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：2014
- 單位類別成立日期：2014

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.75% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.75%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
RQFII Custodian fee RQFII託管人費用：	The RQFII Custodian fee is not included in the above Trustee fee. In addition to the above Trustee fee, a separate custody fee of 0.075% per annum of the month end market value of the Fund's investment in securities listed on the PRC stock exchanges, and the related transaction fees will be paid by the Fund to the Trustee who will then cover the fees incurred by the RQFII Custodian (i.e. the RQFII Custodian fee). RQFII託管人費用並不包括於上述之信託管理人費用內。除上述之信託管理人費用外，按基金投資於在中國證券交易所上市之證券截至每月底的市值每年0.075%計算之額外託管費用，以及相關交易費用將由基金支付予信託管理人，信託管理人然後將承擔由RQFII託管人招致之費用（即RQFII託管人費用）。
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- The Investment Manager may from time to time make available RQFII quota for the purpose of the Fund's direct investment into the PRC. The Manager may decide to close the Fund to further subscriptions before the end of the initial offer period without any prior or further notice if the total subscription amount reaches the amount of RQFII quota available for the Fund's investment.
- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- 投資經理人可不時提供RQFII額度以作基金直接投資於中國之用。倘總認購額達到可供基金的投資使用的RQFII額度金額，則經理人可決定於首次發售期結束前截止基金任何進一步認購，而毋須發出任何事先或進一步通知。
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_BGJ961/DP/v14/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan China Income Fund
摩根中國入息基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Sub-Manager 助理經理人：	JPMorgan Asset Management (UK) Ltd.^, UK (internal delegation) 英國（同集團委任） ^ JPMorgan Asset Management (UK) Ltd. is only responsible for the currency management of the Currency Hedged Classes set out in the sub-section "Ongoing charges over a year". ^ JPMorgan Asset Management (UK) Ltd.只負責「全年經常性開支比率」分節所載貨幣對沖類別的貨幣管理。
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	(acc) - USD class （累計）美元類別 1.84%† (mth) - AUD (hedged) class （每月派息）澳元對沖類別 1.84%† (mth) - HKD class （每月派息）港元類別 1.84%† (mth) - RMB (hedged) class[1] （每月派息）人民幣對沖類別[1] 1.84%† (mth) - USD class （每月派息）美元類別 1.84%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. [1] This class is not available on the J.P. Morgan eTrading platform. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。 [1] 摩根網上交易平台並不提供此類別。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The classes offered in Hong Kong are in HK dollars, Renminbi and US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別分別以港元、人民幣及美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。

Dividend policy 派息政策：	For (mth) class - Monthly distribution* (discretionary). Distributions may be paid out of capital which represents a return or withdrawal of part of the amount an investor originally invested or from any capital gains attributable to that original investment. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit.
	For (acc) class - Accumulative (Income will be retained and reinvested within the corresponding class)
	（每月派息）類別 — 每月分派*（酌情決定）。分派可能從資本撥款，即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。基金作出任何分派均可能導致每單位資產淨值即時下跌。
	（累計）類別 — 累計（收益將保留並撥作投資相應類別）

Financial year end 財政年度終結日：	30 September 9月30日

Issued by JPMorgan Funds (Asia) Ltd. 由摩根基金（亞洲）有限公司刊發

Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): For RMB denominated Classes: RMB16,000 or its equivalent in another currency For other Classes: USD2,000 or its equivalent in another currency 整額（首次及其後每次相同）： 就以人民幣計價的類別而言：人民幣16,000元或其他貨幣之等值 就其他類別而言：2,000美元或其他貨幣之等值

The Manager may apply a different minimum lump sum investment.

* Any distributions will be reinvested automatically in the subscription of further units of the corresponding Class of units of the Fund, or paid in cash provided certain conditions are met. Please refer to the section "DISTRIBUTION POLICY" in the Explanatory Memorandum of the Fund. The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval (if applicable) and one month's prior notice to the relevant unitholders.

經理人可設定不同的最低整筆投資額。

* 任何分派將自動再投資於認購基金相應單位類別的更多單位（或於符合若干特定情況下，以現金分派）。請參閱本基金的基金說明書內之「收益分派政策」一節。經理人可全權酌情決定修改收益分派政策，惟須獲得證監會事先批准(如適用)，及須給予相關單位持有人一個月的事先通知。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.

本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment objective of the Fund is to provide investors with income and long-term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in (a) equity securities of companies which are based in, listed on any stock exchange of, or operate principally in the PRC and that the Investment Manager expects to pay dividends and (b) Chinese debt securities issued and/or distributed in or outside the PRC.

The Fund may vary its asset allocation in response to market conditions. Asset allocation decisions are the result of qualitative and quantitative research into a range of fundamental factors such as economic outlook, official policy actions, market valuation levels, investor sentiment and positioning. The Manager, Investment Manager and/or Sub-Manager exercise a judgment as to the relative importance of various fundamental conditions as well as degree of conviction in establishing the asset class allocations in the Fund.

The Fund may invest up to 50% of its total net asset value in onshore PRC securities via the Qualified Foreign Institutional Investor ("QFII") quota of the Investment Manager.

The Fund may invest up to 100% of its total net asset value in certain eligible China A-Shares via the Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect (collectively, the "China Connect") and/or other similar programs as approved by the relevant regulators from time to time.

The Fund may invest 30% or more of its total net asset value in stocks listed on the Small and Medium Enterprise Board and/or the ChiNext Board of the Shenzhen Stock Exchange and/or the Science and Technology Innovation Board of the Shanghai Stock Exchange.

The Fund may invest up to 60% of its total net asset value in Chinese debt securities issued and/or distributed in or outside the PRC, including but are not limited to bonds, money market instruments and other debt securities which are issued by the Chinese issuers such as government, quasi-government organizations, agencies, financial institutions, and other corporations, organizations or entities domiciled in the PRC. The Chinese debt securities issued and/or distributed in the PRC are traded on the listed bond markets and/or the China interbank bond market (the "CIBM"). The Fund will invest in Chinese debt securities traded in the CIBM through the CIBM Initiative[1] and/or Bond Connect.

The Fund may invest less than 30% of its total net asset value in aggregate in: (i) below investment grade bonds (i.e. (a) bonds rated Ba1 or below by Moody's or BB+ or below by Standard & Poor's or such other terms used by international accredited rating agencies or (b) unrated bonds but their issuers are rated Ba1 or below by Moody's or BB+ or below by Standard & Poor's or such other terms used by international accredited rating agencies); or (ii) bonds rated BB+ or below by a PRC credit rating agency or unrated bonds but their issuers are rated BB+ or below by a PRC credit rating agency; or (iii) unrated bonds (i.e. both the bonds and issuers are unrated by Moody's, Standard & Poor's, other international accredited rating agencies or PRC credit rating agencies).

The Fund may not invest more than 10% of its total net asset value in each type of the following instruments: (i) urban investment bonds[2](城投債); and (ii) asset backed securities (including asset backed commercial papers).

The Fund may invest up to 10% of its total net asset value in instruments with loss-absorption features (e.g. contingent convertible debt securities, certain types of senior non-preferred debts, etc.).

The Fund may also invest in derivatives such as options, warrants and futures for investment purposes.

基金的投資目標是為投資者提供收益及長遠資本增值，為達致此目標，基金主要（即將其總資產淨值至少70%）投資於(a)以中國為基地、在當地任何證券交易所上市或主要在當地經營，且投資經理人預期會派發股息之公司之股票證券，及(b)在中國境內或境外發行及／或分銷的中國債務證券。

基金可因應市場狀況調整其資產配置。資產配置決策乃經過對經濟前景、官方政策行動、市場估值水平、投資者情緒及部署等多項基本因素進行質量研究及定量研究後作出。經理人、投資經理人及／或助理經理人在建立基金的資產類別配置時，就各種基本因素狀況的相對重要性以及看好程度作出判斷。

基金可透過投資經理人的合格境外機構投資者（「QFII」）額度將其總資產淨值最多50%投資於境內中國證券。
基金亦可透過「滬港通」及／或「深港通」（統稱「中華通」）將其總資產淨值最多100%投資於若干合資格中國A股及／或有關監管機構不時批准的其他類似計劃。
基金可將其總資產淨值30%或以上投資於在深圳證券交易所中小企業板及／或創業板及／或上海證券交易所科技創新板上市的股票。
基金可將其總資產淨值最多60%投資於在中國境內或境外發行及／或分銷的中國債務證券，包括但不限於由中國的政府、半政府組織、機構、金融機構等發行人，及其他在中國註冊的企業、組織或實體發行的債券、貨幣市場工具及其他債務證券。在中國發行及／或分銷的中國債務證券於中國上市債券市場及／或中國銀行間債券市場（「中國銀行間債券市場」）交易。基金將透過中國銀行間債券市場項目[1]及／或債券通投資於在中國銀行間債券市場交易的中國債務證券。
基金可將其總資產淨值少於30%投資於低於：(i)低於投資級別債券（即(a)獲穆迪Ba1或以下或標準普爾BB+或以下或國際認可評級機構所用其他同類術語之評級之債券或(b)本身未獲評級但其發行人獲穆迪Ba1或以下或標準普爾BB+或以下或國際認可評級機構所用其他同類術語之評級之債券）；或(ii)獲中國信貸評級機構BB+或以下評級之債券或本身未獲評級但其發行人獲中國信貸評級機構BB+或以下評級之債券；或(iii)未獲評級之債券（即該等債券及發行人均未獲穆迪、標準普爾、其他國際認可評級機構或中國信貸評級機構評級）。
基金不可將其總資產淨值10%以上投資於下列各類型工具：(i)城投債[2]；及(ii)資產抵押證券（包括資產抵押商業票據）。
基金可將其總資產淨值最多10%投資於具有吸收虧損特點的工具（例如或然可換股債務證券、若干類型的高級非優先債務等）。
基金亦可為投資目的而投資於衍生工具，例如期權、認股權證及期貨。

1 In February 2016, the People's Bank of China announced the opening-up of the CIBM to a wider group of eligible foreign institutional investors free of quota restriction (the "CIBM Initiative").

2 Urban investment bonds are debt instruments issued by mainland China local government financing vehicles ("LGFVs"). These LGFVs are separate legal entities established by local governments and/or their affiliates to raise financing for public welfare investment or infrastructure projects.

1 2016年2月，中國人民銀行宣佈向更多合資格境外機構投資者開放中國銀行間債券市場且不設額度限制（「中國銀行間債券市場項目」）。

2 城投債為中國內地地方政府融資平台（「地方政府融資平台」）發行之債務工具。此等地方政府融資平台為由地方政府及／或其聯繫人士成立之獨立法律實體，以籌集融資作為公共福利投資或基礎建設計劃之用途。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Risk relating to dynamic asset allocation strategy** – The investments of the Fund may be periodically rebalanced and therefore the Fund may incur greater transaction costs than a fund with static allocation strategy.
- **Equity risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **China market risk** – Investing in the securities markets in the PRC is subject to the risks of investing in emerging markets generally and the risks specific to the PRC market. Investments in the PRC will be sensitive to any significant change in political, social or economic policy in the PRC which includes possible government intervention. Such sensitivity may, for the reasons specified above, adversely affect the capital growth and thus the performance of these investments. The PRC government's control of currency conversion and future movements in exchange rates may adversely affect the operations and financial results of the companies that issue the relevant PRC securities invested in by the Fund. In light of the above mentioned factors, the price of PRC securities may fall significantly in certain circumstances and may have an adverse effect on the Fund's performance. The choice of "A", "B" and "H" share issues currently available to the Manager may be limited as compared with the choice available in other markets. There may also be a lower level of liquidity and trading volume in the PRC "A" and "B" share markets, which are relatively smaller in terms of both combined total market value and the number of "A" and "B" shares which are available for investment as compared with other markets. This could potentially lead to severe price volatility. There may also be potential settlement difficulties in the PRC market.

  In addition, trading band limits may be imposed by the PRC stock exchanges on China A-Shares, where trading in a China A-Share security on the relevant PRC stock exchange may be suspended if the trading price of such security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the Fund to liquidate its positions (if any) in such security. Also, it may not be possible for the Fund to liquidate positions at a favourable price even when the suspension is lifted. Such trading band limit may therefore adversely affect the Fund's investment in China A-Shares. The PRC government or the regulators may also implement policies that may affect the financial markets.

- **Risks associated with debt securities** – the Fund's investments in debt securities are subject to the following risks:
  - **Valuation risk** – Valuation of the Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund.
  - **Credit risk** – If the issuer of any of the securities in which the Fund's assets are invested defaults, the performance of the Fund will be adversely affected and the Fund could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the Fund. Decline in credit quality of the issuer may adversely affect the valuation of the relevant bonds and the Fund. The credit ratings assigned by credit rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or the issuer at all times.
  - **Investment grade bond risk** – Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review such assigned ratings and bonds may therefore be downgraded in rating if economic circumstances (e.g. subject to market or other conditions) impact the relevant bond issues. Downgrading of the bonds may adversely affect the value of the relevant bonds and therefore the performance of the Fund. The Fund may or may not be able to dispose of the bonds that are downgraded. Also, the Fund may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.
  - **Below investment grade/unrated investment risk** – The Fund may invest in bonds and other debt securities which are unrated or with ratings below investment grade or rated BB+ or below by a PRC credit rating agency. Accordingly, such investment will be accompanied by a higher degree of credit and liquidity risks than is present with investment in higher rated securities. During economic downturns such bonds typically fall more in value than investment grade bonds as such are often subject to a higher risk of issuer default. The NAV of the Fund may decline or be negatively affected if there is a default of any of the high yield bond that the Fund invests in or if interest rates change.
  - **Interest rate risk** – Investment in the Fund is subject to interest rate risk. In general, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise.
  - **Credit rating agency risk** – The credit appraisal system in the Mainland and the rating methodologies employed in the Mainland may be different from those employed in other markets. Credit ratings given by Mainland rating agencies may therefore not be directly comparable with those given by other international rating agencies.
  - **Sovereign debt risk** – The Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Fund to participate in restructuring such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers.
- **Concentration risk** – The Fund may concentrate its investments in the PRC. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area.
- **Smaller companies risk** – The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Risks associated with the investments in stocks listed on the Small and Medium Enterprise Board ("SME Board") and/or the ChiNext Board of the SZSE and/or the STAR Board of the SSE** – The Fund may invest in the SME Board and/or the ChiNext Board of the SZSE via the Shenzhen-Hong Kong Stock Connect and/or the STAR Board of the SSE via the Shanghai-Hong Kong Stock Connect and thus may result in significant losses for the Fund and its investors. Such investments are subject to the following risks:
  - STAR Board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in STAR Board may be concentrated in a small number of stocks and subject the Fund to higher concentration risk.
  - Listed companies on the SME Board and/or ChiNext Board and/or STAR Board are usually of emerging nature with smaller operating scale. In particular, listed companies on STAR Board are subject to wider price fluctuation limits, and due to higher entry thresholds for investors, stocks listed on STAR Board may have limited liquidity, compared to those listed on other boards. Hence, they are subject to higher fluctuation in stock prices and liquidity risks and have higher risks and turnover ratios than companies listed on the main board.
  - Stocks listed on the SME Board and/or ChiNext Board and/or STAR Board may be given a higher valuation and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.
  - The rules and regulations regarding companies listed on ChiNext Board and STAR Board are less stringent in terms of profitability and share capital than those on the main board and SME Board.
  - It may be more common and faster for companies listed on the SME Board, ChiNext Board and/or STAR Board to delist. In particular, STAR Board has stricter criteria for delisting compared to other boards. This may have an adverse impact on the Fund if the companies that it invests in are delisted.
- **Risks associated with CIBM** – Investing in the CIBM via the CIBM Initiative and/or Bond Connect is subject to regulatory risks and various risks such as volatility risk, liquidity risk, settlement and counterparty risk as well as other risk factors typically applicable to debt securities. The relevant rules and regulations on investment in the CIBM via the CIBM Initiative and/or Bond Connect are subject to change which may have potential retrospective effect. In the event that the relevant PRC authorities suspend account opening or trading on the CIBM, the Fund's ability to invest in the CIBM will be adversely affected. In such event, the Fund's ability to achieve its investment objective will be negatively affected. There are also risks and uncertainties associated with the current PRC tax laws, regulations and practice on the Fund's investments in the PRC.

- **"Dim Sum" bond (i.e. bonds issued outside of the PRC but denominated in RMB) market risks** – The "Dim Sum" bond market is still a relatively small market which is more susceptible to volatility and illiquidity. The operation of the "Dim Sum" bond market as well as new issuances could be disrupted causing a fall in the net asset value of the Fund should there be any promulgation of new rules which limit or restrict the ability of issuers to raise RMB by way of bond issuances and/or reversal or suspension of the liberalisation of the offshore RMB (CNH) market by the relevant regulator(s).
- **Risks associated with China Connect** – The Fund will be able to trade certain eligible stocks listed on Shanghai Stock Exchange ("SSE") and/or Shenzhen Stock Exchange ("SZSE") and/or the Science and Technology Innovation Board ("STAR Board") of the SSE through China Connect and thus is subject to the following risks:
  - The relevant rules and regulations on China Connect are subject to change which may have potential retrospective effect. There is no certainty as to how they will be applied.
  - The program is subject to daily quota limitations which may restrict the Fund's ability to invest in China A-Shares through the program on a timely basis.
  - Where a suspension in the trading through the program is effected, the Fund's ability to access the PRC market will be adversely affected. In such event, the Fund's ability to achieve its investment objective could be negatively affected.
  - The program requires the development of new information technology systems on the part of the stock exchanges and exchange participants and may be subject to operational risk. If the relevant systems failed to function properly, trading in both Hong Kong and Shanghai/Shenzhen markets through the program could be disrupted. The Fund's ability to access the China A-Share market (and hence to pursue its investment strategy) will be adversely affected.
  - PRC regulations impose certain restrictions on selling and hence the Fund may not be able to dispose of holdings of China A-Shares in a timely manner.
  - A stock may be recalled from the scope of eligible stocks for trading via China Connect. This may affect the investment portfolio or strategies of the Fund.
  - Trading in securities through the program may be subject to clearing and settlement risk. If the PRC clearing house defaults on its obligation to deliver securities/make payment, the Fund may suffer delays in recovering its losses or may not be able to fully recover its losses.
  - The Fund may not be able to participate in some corporate actions in respect of the SSE/SZSE securities in a timely manner. Also, the Fund may not be able to appoint proxies to attend or participate in shareholders' meetings in respect of the SSE/SZSE securities.
- **QFII risk** – The Fund's ability to make the relevant investments or to fully implement or pursue its investment objective and strategy is subject to the applicable laws, rules and regulations (including restrictions on investments and repatriation of principal and profits) in the PRC, which are subject to change and such change may have potential retrospective effect. The Fund itself is not a QFII, but may invest directly in QFII eligible securities via the QFII status of the Investment Manager and/or other QFII holders. The QFII status could be revoked, in particular because of material violations of rules and regulations by the QFII. If the Investment Manager loses its QFII status, the Fund may not be able to invest directly in QFII eligible securities and may be required to dispose of its holdings which would likely have a material adverse effect on the Fund. The Investment Manager's QFII investment quota is granted to it as a whole and not simply to investments made by the Fund. There can be no assurance that the Investment Manager will be able to allocate a sufficient portion of its QFII investment quota to meet all applications for subscription to the Fund, or that redemption requests can be processed in a timely manner due to adverse changes in relevant laws or regulations, including changes in QFII repatriation restrictions. Such restrictions may result in suspension of dealings of the Fund. Investments in QFII eligible securities will be made through the QFII in Renminbi. The Fund may suffer substantial losses if any of the key operators or parties (including QFII custodian/brokers) is bankrupt/in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities. The Fund will be exposed to any fluctuation in the exchange rate between US dollars and Renminbi in respect of such investments.
- **PRC exchange traded stock index futures risk** – The PRC futures exchanges are in the process of development. This may lead to greater trading volatility, difficulty in settlement and uncertainty in interpreting and applying the relevant regulations. The China Financial Futures Exchange ("CFFEX") has granted a hedging quota to the Investment Manager (as the QFII) specifically for the use by the Fund to invest directly in PRC exchange traded stock index futures contracts for hedging purpose. The hedging quota is subject to an intra day turnover limit imposed by the CSRC. There is no guarantee that the hedging quota will be used, or if used, will achieve the desired result. In addition, the hedging quota has a fixed term. There is no guarantee that the Investment Manager (as QFII) will renew its application for the Fund after expiry of the term or the CFFEX will approve any application for renewal or whether the same amount of hedging quota will be granted. Any changes in the relevant regulations may also affect the hedging quota or any renewal application.
- **PRC brokerage risk** – The execution and settlement of transactions or the transfer of any funds or securities may be conducted by PRC Brokers appointed by the Investment Manager (as QFII holder). There is a risk that the Fund may suffer significant losses from the default, disqualification or bankruptcy of the PRC Brokers, including losses of any futures margin held by PRC futures brokers in the event of their bankruptcy. In these events, the Fund maybe adversely affected in the execution or settlement of any transaction or in the transfer of any funds or securities. In selection of PRC Brokers, the Investment Manager (as QFII holder) will have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards. The Investment Manager will exercise reasonable care and diligence in the selection, appointment and ongoing monitoring of the PRC Brokers and ensure it is satisfied that the PRC Brokers remain suitably qualified and competent to provide the relevant service. If the Investment Manager considers appropriate, it is possible that a single PRC Broker will be appointed and the Fund may not necessarily pay the lowest commission available in the market.

- **Emerging markets risk** – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Accounting, auditing and financial reporting standards in emerging markets may be less rigorous than international standards. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Fund's investments.
- **PRC tax risk consideration** – There are risks and uncertainties associated with the current PRC tax laws, regulations and practice on the Fund's investments in the PRC. Any increased tax liabilities on the Fund may adversely affect the Fund's value. The Manager, Investment Manager and Sub-Manager reserve the right to provide for tax on gains of the Fund that invests in PRC securities thus impacting the valuation of the Fund. Based on professional and independent tax advice, except for gains from China A-Shares trading through China Connect or Qualified Foreign Institutional Investors or Renminbi Qualified Foreign Institutional Investors and interest derived by foreign institutional investors from bonds traded on PRC bond market which are specifically exempt under temporary exemptions from the prevailing PRC tax regulations, a tax provision of 10% is fully provided for all PRC sourced income (including gains from PRC securities, dividends and interest) until sufficient clarity is given by the PRC authorities to exempt specific types of PRC sourced income (eg. gains from PRC bonds).

  With the uncertainty of whether and how certain gains on PRC securities are to be taxed, the possibility of the laws, regulations and practice in the PRC changing, and the possibility of taxes being applied retrospectively, any provision for taxation made by the Manager, the Investment Manager and/or the Sub-Manager may be excessive or inadequate to meet final PRC tax liabilities on gains derived from the disposal of PRC securities. In case of any shortfall between the provisions and actual tax liabilities, which will be debited from the Funds' assets, the Funds' net asset value will be adversely affected. Depending on the timing of investors' subscriptions and/or redemptions, they may be disadvantaged as a result of any shortfall of tax provision and/or not having the right to claim any part of the overprovision (as the case may be).
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes. An inability to sell a portfolio position can adversely affect the Fund's value or prevent the Fund from being able to take advantage of other investment opportunities.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **Class currency risk** – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not RMB) and chooses to invest in the RMB Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and RMB upon the reconversion of its RMB investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in RMB.
- **RMB currency risk** – RMB is currently not a freely convertible currency as it is subject to foreign exchange control policies of and repatriation restrictions imposed by the Chinese government. If such policies change in future, the Fund's or the investors' position may be adversely affected. There is no assurance that RMB will not be subject to devaluation, in which case the value of the investments will be adversely affected. Some investments acquired by the Fund will be denominated in RMB whereas the Fund is denominated in USD. Investors are exposed to the movements of the exchange rate between USD and RMB. Investors may suffer losses depending on the exchange rate movements of RMB relative to USD. Although offshore RMB (CNH) and onshore RMB (CNY) are the same currency, they trade at different rates. Any divergence between CNH and CNY may adversely impact investors. Under exceptional circumstances, payment of redemptions and/or dividend payment in RMB may be delayed due to the exchange controls and restrictions applicable to RMB.

  Class(es) denominated in RMB will generally be valued with reference to RMB (CNH) rather than RMB (CNY). Class(es) denominated in RMB participate in the offshore RMB (CNH) market, which allow investors to freely transact CNH outside of mainland China. Class(es) denominated in RMB will have no requirement to remit CNH to onshore RMB (CNY). Non-RMB based investors (e.g. Hong Kong investors) in Class(es) denominated in RMB may have to convert HK dollars or other currencies into RMB when investing in Class(es) denominated in RMB and subsequently convert the RMB redemption proceeds and/or distributions (if any) back to HK dollars or such other currencies. Investors will incur currency conversion costs and may suffer losses depending on the exchange rate movements of RMB relative to HK dollars or such other currencies. Also, there can be no assurance that RMB will not be subject to devaluation and any depreciation of RMB could adversely affect the value of the investor's investment in the Fund.

- **Currency Hedged Classes risk** – Each Currency Hedged Class may hedge the Fund's denominated currency back to its currency of denomination, with an aim to provide a return on investment which correlates with the return of the Class of unit which is denominated in the base currency of the Fund. The costs and resultant profit or loss on the hedging transactions will be reflected in the net asset value per unit for the units of the relevant Currency Hedged Classes. The costs relating to such hedging transactions which may be significant depending on prevailing market conditions shall be borne by that Currency Hedged Class only.

  The precise hedging strategy applied to a particular Currency Hedged Class may vary. In addition, there is no guarantee that the desired hedging instruments will be available or hedging strategy will achieve its desired result. In such circumstances, investors of the Currency Hedged Class may still be subject to the currency exchange risk on an unhedged basis (which means that, for example, if the hedging strategy in respect of the RMB Hedged Class is ineffective, depending on the exchange rate movements of RMB relative to the base currency of the Fund, and/or other currency(ies) of the non-RMB denominated underlying investment of the Fund, (i) investors may still suffer losses even if there are gains or no losses in the value of the non-RMB denominated underlying investments; or (ii) investors may suffer additional losses if the non-RMB denominated underlying investments of the Fund fall in value). If the counterparties of the instruments used for hedging purposes default, investors of the Currency Hedged Classes may be exposed to the currency exchange risk on an unhedged basis and may therefore suffer further losses. While the hedging strategy may protect investors of the Currency Hedged Classes against a decrease in the value of the Fund's base currency relative to the denominated currency of that Currency Hedged Class, the hedging strategy may substantially limit the benefits of any potential increase in the value of a Currency Hedged Class expressed in the Class currency, if the Currency Hedged Class' denominating currency falls against the base currency of the Fund.
- **Payment of distributions out of capital risk** – Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realized and unrealized capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment. As a result, the capital that the Fund has available for investment in the future and capital growth may be reduced. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit. Also, a high distribution yield does not imply a positive or high return on the total investment. The distribution amount and net asset value per unit of a Currency Hedged Class may be adversely affected by differences in the interest rates of the reference currency of the relevant Currency Hedged Class and the Fund's base currency, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other Classes of units.

  The distribution amount and NAV of the Currency Hedged Classes may be adversely affected by differences in the interest rates of the denominated currency of the Currency Hedged Classes and the base currency of the Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-Currency Hedged Classes.
- **Hedging risk** – The Manager and the Investment Manager are permitted, in their absolute discretion, but not obliged, to use hedging techniques to attempt to reduce market and currency risks. There is no guarantee that hedging techniques if used, will achieve the desired result nor that hedging techniques will be used, in those cases, the Fund may be exposed to the existing market and currency risks and may be adversely impacted. The hedging, if any, against foreign exchange risks may or may not be up to 100% of assets of the Fund.
- **投資風險** — 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **有關動態資產配置策略的風險** — 基金的投資或會定期重新調整比重，以致基金所招致的交易費用或會較採用固定配置策略的基金為高。
- **股票風險** — 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **中國市場風險** — 投資中國證券市場須承受投資新興市場的一般風險和中國市場特有的風險。在中國進行之投資將容易受到中國政治、社會或經濟政策任何重大變動之影響，包括可能之政府干預。基於上述特定理由，此種敏感度可能對資本增長，以至此等投資的表現帶來不利影響。中國政府對貨幣轉換之控制及匯率未來之變動，可能對發行基金所投資的相關中國證券之公司之營運及財務業績帶來不利影響。鑑於上述因素，中國證券之價格可能會在若干情況下大幅下跌，可能對基金之表現造成不利影響。現時可供經理人選擇之「A」、「B」及「H」股之發行，與其他市場可提供之選擇比較可能相對有限。中國「A」股及「B」股市場之流通性及交易量亦可能較低，與其他市場相比，該兩個市場就綜合總市值及可供投資「A」股及「B」股數目而言均相對較少。此情況可能導致股價大幅波動。中國市場亦可能存在潛在結算困難。

  此外，中國證券交易所可能對中國A股施行交易波幅限額，據此，倘若某一中國A股證券的買賣價已上升或下跌至超逾交易波幅限額，該證券在有關證券交易所的買賣可能會被暫停。暫停買賣將使基金無法為其於該證券之持倉（如有）進行平倉。此外，即使暫停買賣其後解除，基金未必可按理想的價格平倉。該交易波幅限額可能因而對基金於中國A股之投資造成不利影響。中國政府或監管機構亦可能實施可能影響金融市場的政策。

- **與債務證券相關的風險** – 基金於債務證券之投資須承受以下風險：
  - **估值風險** – 本基金的投資估值或會涉及不明朗因素及判定性的決定。倘若該等估值不正確，此可能影響本基金的資產淨值計算。
  - **信貸風險** – 倘若基金之資產所投資之任何證券之發行人違約，基金之表現將會受到不利影響，而基金可能蒙受重大損失。定息證券不履行支付利息或本金之責任或會對基金之表現造成不利影響。發行人的信貸質素降低，或會對有關債券及基金之估值造成不利影響。信貸評級機構給予的信貸評級存在局限，並不保證證券及／或發行人在所有時候的信用可靠性。
  - **投資級別債券風險** – 投資級別債券獲信貸評級機構（包括但不限於惠譽、穆迪及／或標準普爾）於信用可靠性或債券發行的違約風險的基礎上給予屬於高評級界別的評級。評級機構覆核該等評級。倘若經濟環境（例如市場或其他情況）影響有關債券發行，該等債券的評級可能因此被下調。債券評級的下調或會對該等債券之價值造成不利影響，基金的表現亦可能因而受到不利影響。本基金不一定能夠出售被下調評級的債券。此外，基金可能面對較高不獲履行支付利息及償還本金之責任的風險。因此，投資者收回的金額可能低於原本的投資額。
  - **低於投資級別／未獲評級投資之風險** – 基金可投資於未獲評級或評級低於投資級別或獲中國信貸評級機構BB+或以下評級之債券及其他債務證券。因此，該等投資將承受較其他評級較高的證券為高之信貸及流通性風險。於經濟下滑時，該等債券一般較投資級別債券價格跌幅更大，因其通常承受較高之發行人違約風險。當基金投資的任何高收益債券違約或如利率改變，基金資產淨值或會下跌或受負面影響。
  - **利率風險** – 於基金之投資須承受利率風險。通常，債務證券之價格會隨利率下降而上升；隨利率上升而下跌。
  - **信貸評級機構風險** – 中國內地的信貸評價制度及中國內地採用的評級方法可能與其他市場所採用者不同。因此，中國內地評級機構給予的信貸評級可能無法與其他國際評級機構給予的評級直接比較。
  - **主權債務風險** – 基金投資於由政府發行或擔保的證券，可能承受政治、社會及經濟風險。在不利情況下，主權發行人未必能夠或願意在到期應付時償還本金及／或利息，或會要求基金參與該等債務的重組。主權債務發行人違約時，基金可能蒙受重大損失。
- **集中風險** – 本基金可能集中投資於中國。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **小型公司風險** – 由於中小型公司的流通性較低、較容易受經濟狀況轉變影響，以及未來增長前景亦較為不確定，所以股價可能會較大型公司更為波動。
- **與投資於在深交所中小企業板（「中小板」）及／或創業板及／或上交所科創板上市的股票相關的風險** – 基金可透過「深港通」投資於深交所中小板及／或創業板，及／或透過「滬港通」投資於上交所科創板，因此可能導致基金及其投資者蒙受重大損失。有關投資須承受以下風險：
  - 科創板為新設交易板塊，初期的上市公司數目有限。於科創板的投資可能集中於少數股票，故基金或會承受較高的集中風險。
  - 中小板及／或創業板及／或科創板的上市公司通常屬新興性質，經營規模較小。尤其是，科創板上市公司的股價浮動限制較寬，並基於投資者入場門檻較高，故於科創板上市的公司流通性相比其他交易板塊上市的有限。因此，相較於在主板上市的公司，於該等交易板塊上市的公司承受較高的股價波動及流通性風險，且面臨更高的風險，換手率亦更高。
  - 中小板及／或創業板及／或科創板上市的股票估值可能較高，而該極高估值可能無法持續。由於流通股較少，股價可能更易被操控。
  - 與在創業板及科創板上市的公司有關的規則及規例在盈利能力及股本方面可能不及主板及中小板的有關規則及規例嚴格。
  - 在中小板、創業板及／或科創板上市的公司發生除牌可能更為普遍及迅速。尤其是，科創板的除牌準則相比其他交易板塊較嚴格。倘若基金投資的公司被除牌，可能對基金構成不利影響。
- **與中國銀行間債券市場相關的風險** – 透過中國銀行間債券市場項目及／或債券通投資於中國銀行間債券市場須承受監管風險及多項風險，例如波幅風險、流通性風險、結算和交易對象風險以及一般適用於債務證券的其他風險因素。透過中國銀行間債券市場項目及／或債券通投資於中國銀行間債券市場的相關規則及規例或會變更，且可能具有追溯效力。倘若在中國銀行間債券市場開立帳戶或進行交易被中國有關當局暫停，則基金投資於中國銀行間債券市場的能力將受到不利影響。在該情況下，基金達致其投資目標的能力將受負面影響。與基金於中國之投資有關的中國現行稅務法律、法規及慣例亦存在風險及不確定性。
- **「點心」債券（即在中國境外發行但以人民幣計價的債券）市場風險** – 「點心」債券市場的規模仍然較小，更易出現波動且缺乏流通性。倘有關監管機構頒佈限制或約束發行人透過債券發行籌集人民幣的任何新規例，及／或逆轉或暫停境外人民幣(CNH)市場的自由化進程，則「點心」債券市場之運作以及新債發行可能會中斷，導致基金資產淨值下跌。
- **與「中華通」相關的風險** – 基金將能通過「中華通」買賣在上海證券交易所（「上交所」）及／或深圳證券交易所（「深交所」）及／或上交所科技創新板（「科創板」）上市的若干合資格股票，故此須承受以下風險：
  - 「中華通」的有關規則及規例可能會變更，並可能具潛在追溯效力，將會如何被應用仍是未知之數。
  - 「中華通」機制受每日額度限制之規限，可能限制基金及時地通過「中華通」投資於中國A股的能力。
  - 倘若通過「中華通」機制進行的交易遭暫停，基金進入中國市場的能力將受到不利影響。在該情況下，基金達致其投資目標的能力會受負面影響。
  - 「中華通」機制需要證券交易所及交易所參與者開發新的資訊科技系統，故可能承受操作風險。如果有關系統未能正常運作，香港及上海／深圳市場通過「中華通」進行的交易可能受到干擾。基金進入中國A股市場（從而執行其投資策略）的能力將受到不利影響。
  - 中國法規實施若干沽出限制，因此基金可能無法及時出售所持有的中國A股。

- 「中華通」合資格股票可能被調出「中華通」範圍，這對基金的投資組合或策略可能會有影響。
- 通過「中華通」買賣證券可能承受交收及結算風險。如果中國結算公司未能履行其交付證券／支付的責任，基金可能在追討損失上遇上延誤，或可能無法完全取回全數損失。
- 基金或許不能及時參與上交所／深交所證券的若干企業行動。此外，基金或許不能委任代表出席或參與上交所／深交所證券的股東大會。

- **QFII風險** — 基金作出有關投資或全面落實或履行其投資目標及策略的能力須受中國的適用法律、規則及規例規限（包括有關投資以及匯出本金及溢利的限制），而有關法律、規則及規例可能會變更，並可能具潛在追溯效力。基金本身並非QFII，但可藉著投資經理人及／或其他QFII持有人之QFII資格直接投資於QFII允許之證券。QFII資格可被撤銷，尤其是因為QFII嚴重違反有關之條例及規定。倘若投資經理人失去其QFII資格，本基金未必能夠直接投資QFII允許之證券及可能因被要求出售其持有之投資而對本基金造成重大不利影響。投資經理人所獲授予之QFII投資額度乃以一整額計，而非僅僅授予基金所作之投資。概不能保證投資經理人將能夠從其QFII投資額度中分配出充足的部分以應付基金所有認購申請，或贖回要求可因有關法律或規例的不利改變，包括QFII調回限制的轉變而適時處理。該等限制可能導致基金暫停買賣。透過QFII作出之QFII允許之證券的投資以人民幣進行。如果任何主要營運商或訂約方（包括QFII託管人／經紀）破產／違責及／或喪失履行其責任的資格（包括執行或結算任何交易或轉讓資金或證券），基金可能招致重大損失。基金將就該等投資承受美元兌人民幣的任何匯率波動之影響。
- **中國交易所買賣股票指數期貨風險** — 中國期貨交易所正處於發展期。此情況可導致較大交易波動、結算困難，以及對於詮釋及應用相關規例的不確定性。中國金融期貨交易所（「中金所」）已向投資經理人（作為QFII）授予對沖額度，以特定供本基金直接投資於中國交易所買賣股票指數期貨合約時用作對沖目的。對沖額度受中國證監會制訂之即日成交額限額所規限。概不保證對沖額度將被使用，或如被使用，會達致預期效果。另外，對沖額度有固定期限。概不保證投資經理人（作為QFII）將於期限屆滿後將本基金的申請續期或中金所將會批准任何續期申請或會否獲授予同等金額之對沖額度。任何相關規例的更改亦可能影響對沖額度或任何續期申請。
- **中國經紀風險** — 交易之執行及結算或任何資金或證券之轉讓可能由投資經理人（作為QFII持有人）委任的中國經紀進行。本基金或會蒙受由於中國經紀違責、喪失資格或破產而導致重大損失之風險，包括在其破產時，由中國期貨經紀持有之任何期貨保證金的損失。於此等情況下，本基金可能於執行及結算任何交易或轉讓任何資金或證券時受到不利影響。於挑選中國經紀時，投資經理人（作為QFII持有人）將考慮佣金收費率之競爭力、相關指示的規模及執行標準等因素。投資經理人將於挑選、委任及持續監察中國經紀的過程中作出合理的謹慎和努力，並確保中國經紀維持適當的資格及足夠的能力提供相關服務。如投資經理人認為適當，單一中國經紀可能會獲委任，而本基金未必支付市場上可得的最低佣金。
- **新興市場風險** — 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。新興市場的會計、審計及財務申報標準可能不如國際標準嚴格。國有化、徵用私產或充公性稅項、外匯管制、政治變動、政府規例、社會不穩定或外交發展均有可能對新興市場經濟或本基金之投資價值構成不利影響。
- **中國稅務風險考慮** — 與基金於中國之投資有關的中國現行稅務法律、法規及慣例存在風險及不確定性。倘基金承受的稅項負擔增加，可能對基金價值造成不利影響。經理人、投資經理人及助理經理人保留就基金投資於中國證券的收益作出稅項撥備的權利，此可能影響基金的估值。根據專業及獨立的稅務意見，除按中國現行稅務法規之暫時豁免獲特定豁免之透過中華通或合格境外機構投資者或人民幣合格境外機構投資者買賣中國A股所得收益以及境外機構投資者從中國債券市場所賺取的債券利息外，已就所有從中國賺取之收入（包括中國證券、股息及利息的收益）作出10%的全額稅項撥備，直至中國當局發出足夠明確的指引豁免特定種類之從中國賺取的收入（如中國債券的收益）為止。

  由於未能確定中國證券的若干收益是否或如何被徵稅、中國的法律、法規及慣例可能更改及稅項可能被追溯繳納，經理人、投資經理人及／或助理經理人為出售中國證券所獲取之收益而提撥的任何稅務準備可能會過多或不足以應付最終的中國稅項負擔。任何因撥備少於實際稅項負擔而造成之短缺將於該等基金的資產中扣除，對該等基金之資產淨值將造成不利影響。視乎投資者認購及／或贖回之時間，投資者可能因任何稅項撥備不足及／或無權要求獲得超額撥備之任何部份（視情況而定）而受到不利影響。
- **貨幣風險** — 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **流通性風險** — 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。基金在未能出售其投資組合持倉的情況下，可能會對基金的價值產生不利影響或因此未能從其他投資機會中獲益。
- **衍生工具風險** — 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。
- **類別貨幣風險** — 各類別之類別貨幣可能不同於基金之基本貨幣及其所投資的資產之貨幣及／或投資者之投資的基本貨幣。倘若投資者將其投資之基本貨幣轉換為類別貨幣以投資於一特定類別，及於其後將贖回所得由該類別貨幣轉換至其原有之投資基本貨幣，投資者可能因該類別貨幣對該原有貨幣貶值而蒙受損失。舉例而言，倘投資者之投資基本貨幣為港元（即非人民幣）而選擇投資於人民幣類別，則該投資者可能承受較高的貨幣風險。與以人民幣為原有之投資基本貨幣的投資者相比，該投資者可能因在將其人民幣投資再轉換回港元時，港元與人民幣之匯率波動而蒙受較高損失。

- **人民幣貨幣風險** – 人民幣現時不可自由兌換，須遵守由中國政府實施的外匯管制政策及資金匯出限制。如該等政策將來有所變動，基金或投資者之持倉可能受到不利影響。概無法保證人民幣不會貶值，而其在該情況下的投資價值將受到不利影響。基金購入的某些投資將以人民幣計價，而基金以美元計價。投資者承受美元與人民幣之間的匯率變動。投資者可能會蒙受損失，視乎人民幣相對美元的匯率走勢而定。境外人民幣(CNH)及境內人民幣(CNY)雖屬相同貨幣，但以不同匯率買賣。境外人民幣(CNH)與境內人民幣(CNY)間出現任何差異，可能對投資者造成不利影響。在特殊情況下，以人民幣支付的贖回款項及／或分派或會因人民幣適用的外匯管制政策及限制而被延誤。

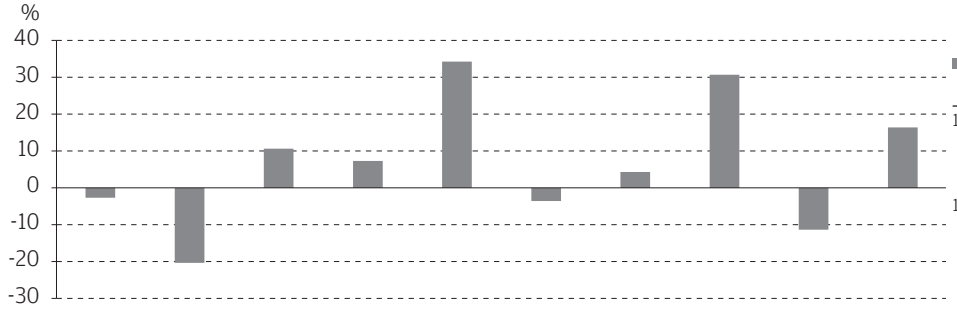
  人民幣類別一般參考境外人民幣(CNH)而非境內人民幣(CNY)計價。以人民幣計價的類別參與境外人民幣(CNH)市場，可在中國大陸境外自由交易境外人民幣(CNH)。以人民幣計價的類別毋須將境外人民幣(CNH)匯成境內人民幣(CNY)。並非以人民幣為基本貨幣的投資者（如香港投資者），在投資以人民幣計價的類別時可能須將港元或其他貨幣兌換為人民幣，其後亦須將人民幣贖回所得款項及／或人民幣分派（如有）兌換為港元或該等其他貨幣。投資者將招致匯兌成本，並可能蒙受損失，視乎人民幣相對於港元或該等其他貨幣的匯率走勢而定。此外，不能保證人民幣不會貶值，而人民幣貶值可對投資者於基金的投資價值產生不利影響。
- **貨幣對沖類別風險** – 各貨幣對沖類別可將基金之計價貨幣對沖回其計價貨幣，旨在提供與以基金之基本貨幣計價的類別相關的投資回報。對沖交易的成本及所得盈虧將會反映於有關貨幣對沖類別單位之每單位資產淨值內。有關該等對沖交易的任何成本視乎當前市況而定可屬重大，將只由該貨幣對沖類別承擔。

  應用於某特定貨幣對沖類別之確切對沖策略或會不同。此外，概不保證能夠獲得預期的對沖工具或對沖策略將會達到預期效果。在該等情況下，貨幣對沖類別之投資者可能仍需承受未對沖之貨幣兌換風險(舉例而言，如人民幣對沖類別之對沖策略無效，視乎人民幣相對於基金的基本貨幣，及／或該基金的非人民幣計價相關資產的其他貨幣的匯率走勢而定：(i)即使非人民幣計價的相關資產的價值上有收益或並無虧損，投資者仍可能蒙受損失；或(ii)如基金的非人民幣計價相關投資的價值下跌，投資者可能蒙受額外損失)。倘若用作對沖目的之工具之交易對象違約，貨幣對沖類別的投資者可能承受未對沖的貨幣兌換風險及可能因此承受進一步損失。

  儘管對沖策略可能保護貨幣對沖類別的投資者免受基金的基本貨幣相對於貨幣對沖類別之計價貨幣之價值下跌所影響，惟倘若貨幣對沖類別之計價貨幣對基金之基本貨幣下跌，則該對沖策略可能大幅限制以類別貨幣列值的貨幣對沖類別之任何潛在升值的利益。
- **從資本撥款作出分派之風險** – 當基金所產生之收入並不足夠支付基金宣佈之分派時，經理人可酌情決定該等分派可能由資本（包括實現與未實現資本收益）撥款支付。投資者應注意，從資本撥款支付分派即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。因此，基金未來可用作投資的資本及資本增值或會減少。基金作出任何分派均可能導致每單位資產淨值即時下跌。此外，高分派收益並不表示總投資的正或高回報。貨幣對沖類別之分派金額及每單位資產淨值可能受到有關貨幣對沖類別的參考貨幣與基金的基本貨幣之利率差異的不利影響，導致從資本撥款支付分派的金額增加，繼而使資本被侵蝕的程度較其他單位類別為高。

  貨幣對沖類別之分派金額及資產淨值可能受到貨幣對沖類別的計價貨幣與基金的基本貨幣之利率差異的不利影響，導致從資本撥款支付分派的金額增加，繼而使資本被侵蝕的程度較其他非對沖類別為高。
- **對沖風險** – 經理人及投資經理人獲准有絕對酌情權（但並非必須）採用對沖方法以嘗試減低市場及貨幣之風險。概無保證該等對沖方法（如採用）將會達到預期之效果或該等對沖方法將獲得採用，在該等情形下，基金可能需承受現有之市場及貨幣風險，並可能受到不利影響。對匯率風險所作出的對沖（如有）可能或未必高達基金資產之100%。

How has the fund performed? 本基金過往的業績表現如何？



■ (acc) - USD class （累計）美元類別

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	-2.7	-20.4	10.6	7.3	34.2	-3.6	4.3	30.7	-11.3	16.4

1

1 On 5 September 2016, the investment objective, policy and restrictions were changed. Performance prior to 5 September 2016 was achieved under circumstances that no longer apply.

1 由2016年9月5日起，本基金的投資目標、政策及限制已作出更改。2016年9月5日之前的表現是在現時不再適用的情況下達致。

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views “(acc) - USD class” being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Fund launch date: 2009

- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（累計）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：2009

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.75% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.75%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 Months are available from the Manager upon request and at the website am.jpmorgan.com/hk[1].
- Investors may obtain the past performance information of other classes offered to Hong Kong investors from am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。
- 最近12個月的分派成分（即從(i)可分派收入淨額及(ii)資本所派發的相對金額），可向經理人索取及於以下網頁查閱：am.jpmorgan.com/hk[1]。
- 投資者可於 am.jpmorgan.com/hk[1] 取得其他向香港投資者銷售的單位類別之過往業績資料。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_AF0507/DP/v23/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan China Pioneer A-Share Fund
摩根中國先驅A股基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理 (亞太) 有限公司（前稱 JF資產管理有限公司），香港（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	JPMorgan China Pioneer A-Share Fund 摩根中國先驅A股基金 1.86%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD 美元
Dividend policy 派息政策：	Accumulative (income will be retained and reinvested within the Fund) 累計（收益將保留並撥作投資本基金）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): USD2,000 or its equivalent in another currency 整額（首次及其後每次相同）：2,000美元或其他貨幣之等值

The Manager may apply a different minimum lump sum investment.
經理人可設定不同的最低整筆投資額。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment objective and policy of the Fund is to achieve long-term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in PRC equity securities, including but not limited to China A-Shares listed on the PRC stock exchanges (e.g. Shanghai Stock Exchange and Shenzhen Stock Exchange).

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund will invest in PRC securities via the Qualified Foreign Institutional Investor ("QFII") quota of the Investment Manager. The Fund may also invest and have direct access to certain eligible China A-Shares via the Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect (collectively, the "China Connect"). The value of the Fund's holding of A-Shares (including instruments which gain an exposure in A-Shares) shall not be less than 70 per cent. of its total net asset value. The Fund may invest 30% or more of its total net asset value in stocks listed on the Small and Medium Enterprise Board and/or the ChiNext Board of the Shenzhen Stock Exchange and/or the Science and Technology Innovation Board of the Shanghai Stock Exchange.

The Fund may invest in derivatives such as forward contracts, options, warrants and futures for investment and hedging purposes.

基金之投資目標及政策為透過主要（即將其總資產淨值至少70%）投資於中國股票證券（包括但不限於中國證券交易所（如上海證券交易所及深圳證券交易所）上市的中國A股）尋求達致長遠資本增長。
基金在任何行業可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。
基金將通過投資經理人的合資格境外機構投資者（「QFII」）額度投資於中國證券。基金亦可通過「滬港通」及／或「深港通」（統稱「中華通」）投資及直接投資於若干合資格中國A股。基金所持有A股（包括可參與A股之工具）之價值不得少於其總資產淨值之70%。
基金可將其總資產淨值30%或以上投資於在深圳證券交易所中小企業板及／或創業板及／或上海證券交易所科技創新板上市的股票。
基金可為投資及對沖目的而投資於衍生工具，例如遠期合約、期權、認股權證及期貨。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Emerging markets risk** – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Accounting, auditing and financial reporting standards in emerging markets may be less rigorous than international standards. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Fund's investments.
- **China market risk** – Investing in the securities markets in the PRC is subject to the risks of investing in emerging markets generally and the risks specific to the PRC market. Investments in the PRC will be sensitive to any significant change in political, social or economic policy in the PRC which includes possible government intervention. Such sensitivity may, for the reasons specified above, adversely affect the capital growth and thus the performance of these investments. The PRC government's control of currency conversion and future movements in exchange rates may adversely affect the operations and financial results of the companies that issue the relevant PRC securities invested in by the Fund. In light of the above mentioned factors, the price of PRC securities may fall significantly in certain circumstances and may have an adverse effect on the Fund's performance. The choice of "A", "B" and "H" share issues currently available to the Manager may be limited as compared with the choice available in other markets. There may also be a lower level of liquidity and trading volume in the PRC "A" and "B" share markets, which are relatively smaller in terms of both combined total market value and the number of "A" and "B" shares which are available for investment as compared with other markets. This could potentially lead to severe price volatility. There may also be potential settlement difficulties in the PRC market.

  In addition, trading band limits may be imposed by the PRC stock exchanges on China A-Shares, where trading in a China A-Share security on the relevant PRC stock exchange may be suspended if the trading price of such security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the Fund to liquidate its positions (if any) in such security. Also, it may not be possible for the Fund to liquidate positions at a favourable price even when the suspension is lifted. Such trading band limit may therefore adversely affect the Fund's investment in China A-Shares. The PRC government or the regulators may also implement policies that may affect the financial markets.
- **Concentration risk** – The Fund may concentrate its investments in the PRC. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area.
- **Smaller companies risk** – The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Risks associated with the investments in stocks listed on the Small and Medium Enterprise Board ("SME Board") and/or the ChiNext Board of the SZSE and/or the STAR Board of the SSE** – The Fund may invest in the SME Board and/or the ChiNext Board of the SZSE via the Shenzhen-Hong Kong Stock Connect and/or the STAR Board via the Shanghai-Hong Kong Stock Connect and thus may result in significant losses for the Fund and its investors. Such investments are subject to the following risks:
  - STAR Board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in STAR Board may be concentrated in a small number of stocks and subject the Fund to higher concentration risk.

- Listed companies on the SME Board and/or ChiNext Board and/or STAR Board are usually of emerging nature with smaller operating scale. In particular, listed companies on STAR Board are subject to wider price fluctuation limits, and due to higher entry thresholds for investors, stocks listed on STAR Board may have limited liquidity, compared to those listed on other boards. Hence, they are subject to higher fluctuation in stock prices and liquidity risks and have higher risks and turnover ratios than companies listed on the main board.
- Stocks listed on the SME Board, ChiNext Board and/or STAR Board may be given a higher valuation and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.
- The rules and regulations regarding companies listed on ChiNext Board and STAR Board are less stringent in terms of profitability and share capital than those on the main board and SME Board.
- It may be more common and faster for companies listed on the SME Board, ChiNext Board and/or STAR Board to delist. In particular, STAR Board has stricter criteria for delisting compared to other boards . This may have an adverse impact on the Fund if the companies that it invests in are delisted.

- **PRC tax risk consideration** – There are risks and uncertainties associated with the current PRC tax laws, regulations and practice on the Fund's investments in the PRC. Any increased tax liabilities on the Fund may adversely affect the Fund's value. The Manager and Investment Manager reserve the right to provide for tax on gains of the Fund that invests in PRC securities thus impacting the valuation of the Fund. Based on professional and independent tax advice, except for gains from China A-Shares trading through China Connect or Qualified Foreign Institutional Investors or Renminbi Qualified Foreign Institutional Investors and interest derived by foreign institutional investors from bonds traded on PRC bond market which are specifically exempt under temporary exemptions from the prevailing PRC tax regulations, a tax provision of 10% is fully provided for all PRC sourced income (including gains from PRC securities, dividends and interest) until sufficient clarity is given by the PRC authorities to exempt specific types of PRC sourced income (eg. gains from PRC bonds).

  With the uncertainty of whether and how certain gains on PRC securities are to be taxed, the possibility of the laws, regulations and practice in the PRC changing, and the possibility of taxes being applied retrospectively, any provision for taxation made by the Manager and/or the Investment Manager may be excessive or inadequate to meet final PRC tax liabilities on gains derived from the disposal of PRC securities. In case of any shortfall between the provisions and actual tax liabilities, which will be debited from the Funds' assets, the Funds' net asset value will be adversely affected. Depending on the timing of investors' subscriptions and/or redemptions, they may be disadvantaged as a result of any shortfall of tax provision and/or not having the right to claim any part of the overprovision (as the case may be).
- **QFII risk** – The Fund's ability to make the relevant investments or to fully implement or pursue its investment objective and strategy is subject to the applicable laws, rules and regulations (including restrictions on investments and repatriation of principal and profits) in the PRC, which are subject to change and such change may have potential retrospective effect. The Fund itself is not a QFII, but may invest directly in QFII eligible securities via the QFII status of the Investment Manager and/or other QFII holders. The QFII status could be revoked, in particular because of material violations of rules and regulations by the QFII. If the Investment Manager loses its QFII status, the Fund may not be able to invest directly in QFII eligible securities and may be required to dispose of its holdings and may be prohibited from repatriation of the Fund's monies which would likely have a material adverse effect on the Fund. The Investment Manager's QFII investment quota is granted to it as a whole and not simply to investments made by the Fund. There can be no assurance that the Investment Manager will be able to allocate a sufficient portion of its QFII investment quota to meet all applications for subscription to the Fund, or that redemption requests can be processed in a timely manner due to adverse changes in relevant laws or regulations, including changes in QFII repatriation restrictions. Such restrictions may result in suspension of dealings of the Fund. The Fund may suffer substantial losses if any of the key operators or parties (including QFII custodian/brokers) is bankrupt/in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities). Investments in QFII eligible securities will be made through the QFII in Renminbi. The Fund will be exposed to any fluctuation in the exchange rate between US dollars and Renminbi in respect of such investments.
- **Application of QFII rules** – The QFII rules are novel in nature and their application may depend on the interpretation given by the relevant Chinese authorities. Any changes to the relevant rules may have an adverse impact on investors' investment in the Fund.
- **Risks associated with China Connect** – The Fund will be able to trade certain eligible stocks listed on Shanghai Stock Exchange ("SSE") and/or Shenzhen Stock Exchange ("SZSE") and/or the Science and Technology Innovation Board ("STAR Board") of the SSE through China Connect and thus is subject to the following risks:
  - The relevant rules and regulations on China Connect are subject to change which may have potential retrospective effect. There is no certainty as to how they will be applied.
  - The program is subject to daily quota limitations which may restrict the Fund's ability to invest in China A-Shares through the program on a timely basis.
  - Where a suspension in the trading through the program is effected, the Fund's ability to access the PRC market will be adversely affected. In such event, the Fund's ability to achieve its investment objective could be negatively affected.
  - The program requires the development of new information technology systems on the part of the stock exchanges and exchange participants and may be subject to operational risk. If the relevant systems failed to function properly, trading in both Hong Kong and Shanghai/Shenzhen markets through the program could be disrupted. The Fund's ability to access the China A-Share market (and hence to pursue its investment strategy) will be adversely affected.

- PRC regulations impose certain restrictions on selling and hence the Fund may not be able to dispose of holdings of China A-Shares in a timely manner.
- A stock may be recalled from the scope of eligible stocks for trading via China Connect. This may affect the investment portfolio or strategies of the Fund.
- Trading in securities through the program may be subject to clearing and settlement risk. If the PRC clearing house defaults on its obligation to deliver securities/make payment, the Fund may suffer delays in recovering its losses or may not be able to fully recover its losses.
- The Fund may not be able to participate in some corporate actions in respect of the SSE/SZSE securities in a timely manner. Also, the Fund may not be able to appoint proxies to attend or participate in shareholders' meetings in respect of the SSE/SZSE securities.

- **PRC exchange traded stock index futures risk** – The PRC futures exchanges are in the process of development. This may lead to greater trading volatility, difficulty in settlement and uncertainty in interpreting and applying the relevant regulations. The China Financial Futures Exchange ("CFFEX") has granted a hedging quota to the Investment Manager (as the QFII) specifically for the use by the Fund to invest directly in PRC exchange traded stock index futures contracts for hedging purpose. The hedging quota is subject to an intra day turnover limit imposed by the CSRC. There is no guarantee that the hedging quota will be used, or if used, will achieve the desired result. In addition, the hedging quota has a fixed term. There is no guarantee that the Investment Manager (as QFII) will renew its application for the Fund after expiry of the term or the CFFEX will approve any application for renewal or whether the same amount of hedging quota will be granted. Any changes in the relevant regulations may also affect the hedging quota or any renewal application.
- **PRC Brokerage risk** – The execution and settlement of transactions or the transfer of any funds or securities may be conducted by PRC Brokers appointed by the Investment Manager (as QFII holder). There is a risk that the Fund may suffer significant losses from the default, disqualification or bankruptcy of the PRC Brokers, including losses of any futures margin held by PRC futures brokers in the event of their bankruptcy. In these events, the Fund maybe adversely affected in the execution or settlement of any transaction or in the transfer of any funds or securities. In selection of PRC Brokers, the Investment Manager (as QFII holder) will have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards. The Investment Manager will exercise reasonable care and diligence in the selection, appointment and ongoing monitoring of the PRC Brokers and ensure it is satisfied that the PRC Brokers remain suitably qualified and competent to provide the relevant service. If the Investment Manager considers appropriate, it is possible that a single PRC Broker will be appointed and the Fund may not necessarily pay the lowest commission available in the market.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes. An inability to sell a portfolio position can adversely affect the Fund's value or prevent the Fund from being able to take advantage of other investment opportunities.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund. Participation in warrants, futures, options and forward contracts involves potential investment returns which the Fund would not receive, and risks of a type, level or nature to which the Fund would not be subject, in the absence of using these instruments. If the direction of movement of the securities or money markets is for or against the prediction of the Manager and/or the Investment Manager, the Fund may be placed in a position which is worse than that in which it would have been if these instruments had not been used. The performance of the Fund may therefore be adversely affected.
- **RMB currency risk** – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the People's Republic of China. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including US dollars and HK dollars, are susceptible to movements based on external factors. RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government. If such policies change in future, the Fund's or the investors' position may be adversely affected.

  There is no assurance that RMB will not be subject to devaluation, in which case the value of the Fund's investments in RMB will be adversely affected. Some of the investments acquired by the Fund will be denominated in RMB whereas the Fund is denominated in USD. This exposes investors to movements of the exchange rate between the currency of denomination of the Fund and the currency in which the assets of the Fund are held. Investors may suffer losses depending on the exchange rate movements of RMB relative to USD.

- **投資風險** – 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** – 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **新興市場風險** – 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。新興市場的會計、審計及財務申報標準可能不如國際標準嚴格。國有化、徵用私產或充公性稅項、外匯管制、政治變動、政府規例、社會不穩定或外交發展均有可能對新興市場經濟或本基金之投資價值構成不利影響。
- **中國市場風險** – 投資中國證券市場須承受投資新興市場的一般風險和中國市場特有的風險。在中國進行之投資將容易受到中國政治、社會或經濟政策任何重大變動之影響，包括可能之政府干預。基於上述特定理由，此種敏感度可能對資本增長，以至此等投資的表現帶來不利影響。中國政府對貨幣轉換之控制及匯率未來之變動，可能對發行基金所投資的相關中國證券之公司之營運及財務業績帶來不利影響。鑑於上述因素，中國證券之價格可能會在若干情況下大幅下跌，可能對基金之表現造成不利影響。現時可供經理人選擇之「A」、「B」及「H」股之發行，與其他市場可提供之選擇比較可能相對有限。中國「A」股及「B」股市場之流通性及交易量亦可能較低，與其他市場相比，該兩個市場就綜合總市值及可供投資「A」股及「B」股數目而言均相對較少。此情況可能導致股價大幅波動。中國市場亦可能存在潛在結算困難。

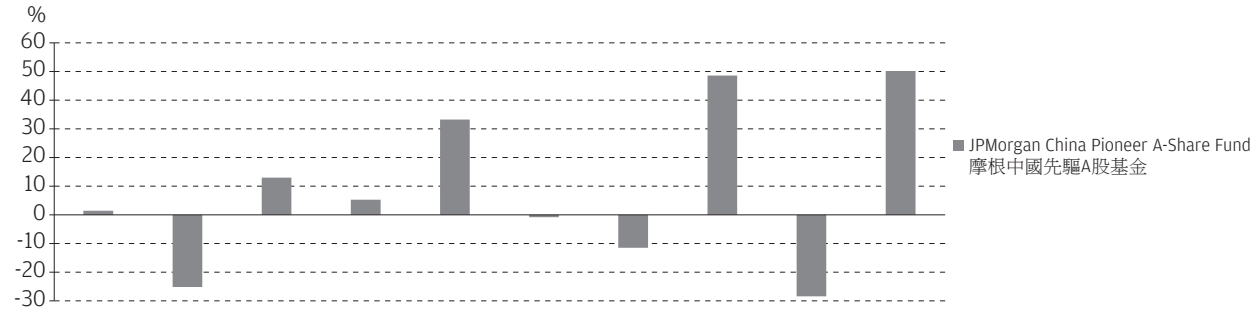
  此外，中國證券交易所可能對中國A股施行交易波幅限額，據此，倘若某一中國A股證券的買賣價已上升或下跌至超逾交易波幅限額，該證券在有關證券交易所的買賣可能會被暫停。暫停買賣將使基金無法為其於該證券之持倉（如有）進行平倉。此外，即使暫停買賣其後解除，基金未必可按理想的價格平倉。該交易波幅限額可能因而對基金於中國A股之投資造成不利影響。中國政府或監管機構亦可能實施可能影響金融市場的政策。
- **集中風險** – 本基金可能集中投資於中國。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **小型公司風險** – 由於中小型公司的流通性較低、較容易受經濟狀況轉變影響，以及未來增長前景亦較為不確定，所以股價可能會較大型公司更為波動。
- **與投資於在深交所中小企業板（「中小板」）及／或創業板及／或上交所科創板上市的股票相關的風險** – 基金可透過「深港通」投資於深交所中小板及／或創業板，及／或透過「滬港通」投資於上交所科創板，因此可能導致基金及其投資者蒙受重大損失。有關投資須承受以下風險：
  - 科創板為新設交易板塊，初期的上市公司數目有限。於科創板的投資可能集中於少數股票，故基金或會承受較高的集中風險。
  - 中小板及／或創業板及／或科創板的上市公司通常屬新興性質，經營規模較小。尤其是，科創板上市公司的股價浮動限制較寬，並基於投資者入場門檻較高，故於科創板上市的公司流通性相比其他交易板塊上市的有限。因此，相較於在主板上市的公司，於該等交易板塊上市的公司承受較高的股價波動及流通性風險，且面臨更高的風險，換手率亦更高。
  - 中小板、創業板及／或科創板上市的股票估值可能較高，而該極高估值可能無法持續。由於流通股較少，股價可能更易被操控。
  - 與在創業板及科創板上市的公司有關的規則及規例在盈利能力及股本方面可能不及主板及中小板的有關規則及規例嚴格。
  - 在中小板、創業板及／或科創板上市的公司發生除牌可能更為普遍及迅速。尤其是，科創板的除牌準則相比其他交易板塊較嚴格。倘若基金投資的公司被除牌，可能對基金構成不利影響。
- **中國稅務風險考慮** – 與基金於中國之投資有關的中國現行稅務法律、法規及慣例存在風險及不確定性。倘基金承受的稅項負擔增加，可能對基金價值造成不利影響。經理人及投資經理人保留就基金投資於中國證券的收益作出稅項撥備的權利，此可能影響基金的估值。根據專業及獨立的稅務意見，除按中國現行稅務法規之暫時豁免獲特定豁免之透過中華通或合格境外機構投資者或人民幣合格境外機構投資者買賣中國A股所得收益以及境外機構投資者從中國債券市場所賺取的債券利息外，已就所有從中國賺取之收入（包括中國證券、股息及利息的收益）作出10%的全額稅項撥備，直至中國當局發出足夠明確的指引豁免特定種類之從中國賺取的收入（如中國債券的收益）為止。

  由於未能確定中國證券的若干收益是否或如何被徵稅、中國的法律、法規及慣例可能有所更改及稅項可能被追溯繳納，經理人及／或投資經理人為出售中國證券所獲取之收益而提撥的任何稅務準備可能會過多或不足以應付最終的中國稅項負擔。任何因撥備少於實際稅項負擔而造成之短缺將於該等基金的資產中扣除，對該等基金之資產淨值將造成不利影響。視乎投資者認購及／或贖回之時間，投資者可能因任何稅項撥備不足及／或無權要求獲得超額撥備之任何部份（視情況而定）而受到不利影響。
- **QFII風險** – 基金作出有關投資或全面落實或履行其投資目標及策略的能力須受中國的適用法律、規則及規例規限（包括有關投資以及匯出本金及溢利的限制），而有關法律、規則及規例可能會變更，並可能具潛在追溯效力。基金本身並非QFII，但可藉著投資經理人及／或其他QFII持有人之QFII資格直接投資於QFII允許之證券。QFII資格可被撤銷，尤其是因為QFII嚴重違反有關之條例及規定。倘若投資經理人失去其QFII資格，本基金未必能夠直接投資QFII允許之證券及可能因被要求出售其持有之投資且可能被禁止匯出本基金的資金而對本基金造成重大不利影響。投資經理人所獲授予之QFII投資額度乃一整額計，而非僅僅授予基金所作之投資。概不能保證投資經理人將能夠從其QFII投資額度中分配出充足的部分以應付基金所有認購申請，或贖回要求可因有關法律或規例的不利改變，包括QFII調回限制的轉變而適時處理。該等限制可能導致基金暫停買賣。如果任何主要營運商或訂約方（包括QFII託管人／經紀）破產／違責及／或喪失履行其責任的資格（包括執行或結算任何交易或轉讓資金或證券），基金可能招致重大損失。透過QFII作出之QFII允許之證券的投資以人民幣進行。基金將就該等投資承受美元兌人民幣的任何匯率波動之影響。

- **QFII規則的應用** – QFII規則性質嶄新，其應用與否可能視乎有關中國機構所給予的詮釋而定。有關規則的任何改變可能對投資者於基金的投資造成不利影響。
- **與「中華通」相關的風險** – 基金將能通過「中華通」買賣在上海證券交易所（「上交所」）及／或深圳證券交易所（「深交所」）及／或上交所科技創新板（「科創板」）上市的若干合資格股票，故此須承受以下風險：
  - 「中華通」的有關規則及規例可能會變更，並可能具潛在追溯效力，將會如何被應用仍是未知之數。
  - 「中華通」機制受每日額度限制之規限，可能限制基金及時地通過「中華通」投資於中國A股的能力。
  - 倘若通過「中華通」機制進行的交易遭暫停，基金進入中國市場的能力將受到不利影響。在該情況下，基金達致其投資目標的能力會受負面影響。
  - 「中華通」機制需要證券交易所及交易所參與者開發新的資訊科技系統，故可能承受操作風險。如果有關系統未能正常運作，香港及上海／深圳市場通過「中華通」進行的交易可能受到干擾。基金進入中國A股市場（從而執行其投資策略）的能力將受到不利影響。
  - 中國法規實施若干沽出限制，因此基金可能無法及時出售所持有的中國A股。
  - 「中華通」合資格股票可能被調出「中華通」範圍，這對基金的投資組合或策略可能會有影響。
  - 通過「中華通」買賣證券可能承受交收及結算風險。如果中國結算公司未能履行其交付證券／支付的責任，基金可能在追討損失上遇上延誤，或可能無法完全取回全數損失。
  - 基金或許不能及時參與上交所／深交所證券的若干企業行動。此外，基金或許不能委任代表出席或參與上交所／深交所證券的股東大會。
- **中國交易所買賣股票指數期貨風險** – 中國期貨交易所正處於發展期。此情況可導致較大交易波動、結算困難，以及對於詮釋及應用相關規例的不確定性。中國金融期貨交易所（「中金所」）已向投資經理人（作為QFII）授予對沖額度，以特定供本基金直接投資於中國交易所買賣股票指數期貨合約時用作對沖目的。對沖額度受中國證監會制訂之即日成交額限額所規限。概不保證對沖額度將被使用，或如被使用，會達致預期效果。另外，對沖額度有固定期限。概不保證投資經理人（作為QFII）將於期限屆滿後將本基金的申請續期或中金所將會批准任何續期申請或會否獲授予同等金額之對沖額度。任何相關規例的更改亦可能影響對沖額度或任何續期申請。
- **中國經紀風險** – 交易之執行及結算或任何資金或證券之轉讓可能由投資經理人（作為QFII持有人）委任的中國經紀進行。本基金或會蒙受由於中國經紀違責、喪失資格或破產而導致重大損失之風險，包括在其破產時，由中國期貨經紀持有之任何期貨保證金的損失。於此等情況下，本基金可能於執行及結算任何交易或轉讓任何資金或證券時受到不利影響。於挑選中國經紀時，投資經理人（作為QFII持有人）將考慮佣金收費率之競爭力、相關指示的規模及執行標準等因素。投資經理人將於挑選、委任及持續監察中國經紀的過程中作出合理的謹慎和努力，並確保中國經紀維持適當的資格及足夠的能力提供相關服務。如投資經理人認為適當，單一中國經紀可能會獲委任，而本基金未必支付市場上可得的最低佣金。
- **貨幣風險** – 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **流通性風險** – 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。基金在未能出售其投資組合持倉的情況下，可能會對基金的價值產生不利影響或因此未能從其他投資機會中獲益。
- **衍生工具風險** – 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。參與認股權證、期貨、期權及遠期合約涉及不利用此等工具則不會承受或承擔不同類型、水平或性質的潛在投資回報或風險。若證券或貨幣市場之動向與經理人及／或投資經理人所預測者相符或相違，則對基金造成之結果可能比於未使用此等工具時更壞。基金之表現可能因而會受不利影響。
- **人民幣貨幣風險** – 人民幣匯率為一個受管理的浮動匯率，匯率基於市場供求及參考一籃子外國貨幣而釐定。人民幣匯率亦受制於外匯管制政策。於銀行間外匯市場中人民幣兌其他主要貨幣可按中華人民共和國之有關主管機構發佈的中央平價窄幅上落。由於匯率受政府政策及市場力量影響，人民幣兌包括美元及港元在內的其他貨幣的匯率將容易因外圍因素而變動。人民幣現時不可自由兌換。將境外人民幣(CNH)兌換為境內人民幣(CNY)是一項貨幣管理程序，須遵守由中國政府實施的外匯管制政策及限制。如該等政策將來有所變動，基金或投資者之持倉可能受到不利影響。

  概無法保證人民幣不會貶值，而其在該情況下基金以人民幣計價的投資價值將受到不利影響。基金購入的某些投資將以人民幣計價，但基金以美元計價。這使投資者承受基金計價貨幣兌基金所持有資產的貨幣之間的匯率變動。投資者可能蒙受視乎人民幣相對美元之匯率變動而定的損失。

How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	1.4	-25.1	13.0	5.3	33.3	-0.8	-11.5	48.6	-28.4	50.2

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- Except for 2007 and 2008, the computation basis of the performance is based on the last valuation day of the calendar year. As the Fund's monthly dealing day for December 2007 was postponed to 2 January 2008, the performance data for the year ended December 2007 is computed based on the data on 2 January 2008 instead. Accordingly, the performance data for the year 2008 started on 2 January 2008. The computation basis of the performance is NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Fund launch date: 2006
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 2007及2008年以外，業績表現以曆年之最後一個估值日作為基礎。由於本基金於2007年12月之每月交易日延至2008年1月2日，2007年12月之表現數據是根據2008年1月2日的數據計算。故此，2008年之表現數據由2008年1月2日開始。業績表現是以資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 本基金成立日期：2006

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.75% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.75%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_ANI637/DP/v19/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Europe High Yield Bond Fund
摩根歐洲市場高收益債券基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Sub-Managers 助理經理人：	JPMorgan Asset Management (UK) Ltd., UK (internal delegation) 英國（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Limited 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	(mth) - AUD (hedged) class （每月派息）澳元對沖類別 1.22%† (mth) - EUR class （每月派息）歐元類別 1.22%† (mth) - HKD (hedged) class （每月派息）港元對沖類別 1.22%† (mth) - RMB (hedged) class[1] （每月派息）人民幣對沖類別[1] 1.22%† (mth) - USD (hedged) class （每月派息）美元對沖類別 1.22%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. [1] This class is not available on the J.P. Morgan eTrading platform. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。 [1] 摩根網上交易平台並不提供此類別。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	EUR (The classes offered in Hong Kong are in Australian dollars, Euro, HK dollars, Renminbi and US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 歐元（在香港銷售之類別分別以澳元、歐元、港元、人民幣及美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	For (mth) Classes - Monthly distribution* (discretionary). Distributions may be paid out of capital which represents a return or withdrawal of part of the amount an investor originally invested or from any capital gains attributable to that original investment. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit. （每月派息）類別－每月分派*（酌情決定）。分派可能從資本撥款，即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。基金作出任何分派均可能導致每單位資產淨值即時下跌。
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): For RMB denominated Classes: RMB16,000 or its equivalent in another currency For other Classes: USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month

整額（首次及其後每次相同）：
就以人民幣計價的類別而言：人民幣16,000元或其他貨幣之等值
就其他類別而言：2,000美元或其他貨幣之等值
定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.

* Any distributions will be reinvested automatically in the subscription of further units of the Fund, or paid in cash provided certain conditions are met. Please refer to the section "DISTRIBUTION POLICY" in the Explanatory Memorandum of the Fund. The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval (if applicable) and one month's prior notice to the relevant unitholders.

經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

* 任何分派將自動再投資於認購基金的更多單位（或於若干特定情況下，以現金分派）。請參閱本基金的基金說明書內之「分派政策」一節。經理人可全權酌情決定修改分派政策，惟須獲得證監會事先批准（如適用），及須給予相關單位持有人一個月的事先通知。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

To aim to achieve a return in excess of European bond markets by investing at least 70% of its total net asset value in European and non-European below investment grade debt securities denominated in European currencies.

Debt securities include but are not limited to bonds, money market instruments and other debt securities which are issued by the international issuers such as government, quasi-government organizations, agencies, financial institutions, corporations, organizations or entities.

The Fund will invest not less than 70% of its total net asset value in below investment grade debt securities (rated Ba1/BB+ or below using the highest rating available from one of the international independent rating agencies (e.g. Moody's, Standard and Poor's, Fitch)) or unrated securities. When investing in debt securities, the Investment Manager will first consider the credit rating of a debt security itself and only if such credit rating is unavailable, the Investment Manager will then consider the credit rating of its issuer, which will become the implied rating of the relevant debt security. An unrated debt security refers to a debt security which neither the debt security itself nor its issuer has a credit rating.

The Fund may invest up to 30% of its total net asset value in investment grade debt securities (rated Baa3/BBB- or higher using the highest rating available from one of the international independent rating agencies (e.g. Moody's, Standard and Poor's, Fitch)).

The Fund will not invest more than 10% of its total net asset value in securities issued or guaranteed by any single sovereign issuer (including its government, a public or local authority of that country) with a credit rating below investment grade.

The Fund may also invest in derivatives such as options, warrants and futures for investment purposes.

The Fund may also invest up to 10% of its total net asset value in convertible bonds. Currently, the Fund does not intend to i) invest in asset-backed securities (including mortgage-backed securities and asset-backed commercial securities); or ii) enter into securities lending arrangements, repurchase agreements, reverse repurchase agreements or other similar over-the-counter transactions. Should these investment policies change in the future, the Manager will follow the appropriate legal and regulatory requirements and the offering document will be updated accordingly.

The Fund may invest up to 5% of its total net asset value in instruments with loss-absorption features (e.g. contingent convertible debt securities, certain types of senior non-preferred debts, etc.).

The Fund will have limited Renminbi (RMB) denominated underlying investments.

透過投資其總資產淨值至少70%於以歐洲貨幣計價的歐洲及非歐洲低於投資級別債務證券，以期取得較歐洲債券市場更高的回報。

債務證券包括但不限於由政府、半政府組織、機構、金融機構、企業、組織或實體等國際發行人發行的債券、貨幣市場工具及其他債務證券。

基金將投資其總資產淨值最少70%於低於投資級別（被一間國際獨立評級機構（如穆迪、標準普爾及惠譽）給予評級中最高獲Ba1/BB+或以下的評級）的債務證券或未獲評級證券。投資經理人在投資於債務證券時，會首先考慮債務證券本身的信貸評級，並只有在有關信貸評級未能提供時，投資經理人方會考慮其發行人的信貸評級，而有關信貸評級將成為有關債務證券的隱含評級。未獲評級的債務證券指債務證券本身或其發行人均沒有信貸評級的債務證券。

基金可投資其總資產淨值最多30%於具備投資級別（被一間國際獨立評級機構（如穆迪、標準普爾及惠譽）給予評級中最高獲Baa3/BBB-或以上的評級）的債務證券。

基金不會將其總資產淨值10%以上投資於信貸評級低於投資級別的任何單一主權發行人（包括其政府、該國的公共或地方當局）所發行或擔保的證券。

基金亦可為投資目的而投資於衍生工具，例如期權、認股權證及期貨。

基金亦可投資其總資產淨值最多10%於可換股債券。目前，基金並無意向i)投資於資產抵押證券（包括按揭證券及資產抵押商業證券）；或ii)訂立證券借貸、回購協議、反向回購協議安排或類似的場外交易。本投資政策於未來如有改變，經理人將遵照合適的法律及監管要求行事，而銷售文件將作出相應更新。

基金可將其總資產淨值最多5%投資於具有吸收虧損特點的工具（例如或然可換股債務證券、若干類型的高級非優先債務等）。

基金將有限度地投資於人民幣計價的相關投資項目。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Risks associated with debt securities** – the Fund's investments in debt securities are subject to the following risks:
  - **Below investment grade/unrated investment risk** –The Fund may invest in bonds and other debt securities which are unrated or rated below investment grade by international accredited rating agencies. Accordingly, such investment will be accompanied by a higher degree of credit and liquidity risks than is present with investment in higher rated securities. During economic downturns such bonds typically fall more in value than investment grade bonds as such are often subject to a higher risk of issuer default. The NAV of the Fund may decline or be negatively affected if there is a default of any of the high yield bond that the Fund invests in or if interest rates change.
  - **Investment grade bond risk** – Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review such assigned ratings and bonds may therefore be downgraded in rating if economic circumstances (e.g. subject to market or other conditions) impact the relevant bond issues. Downgrading of the bonds may adversely affect the value of the relevant bonds and therefore the performance of the Fund. The Fund may or may not be able to dispose of the bonds that are downgraded. Also, the Fund may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.
  - **Credit risk** – If the issuer of any of the securities in which the Fund's assets are invested defaults, the performance of the Fund will be adversely affected and the Fund could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the Fund. Decline in credit quality of the issuer may adversely affect the valuation of the relevant bonds and the Fund. The credit ratings assigned by credit rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or the issuer at all times.
  - **Interest rate risk** – Interest rates in the countries in which the Fund's assets will be invested may be subject to fluctuations. Any such fluctuations may have a direct effect on the income received by the Fund and its capital value. Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. The prices of bonds generally increase when interest rates decline and decrease when interest rates rise. Longer term bonds are usually more sensitive to interest rate changes. The performance of the Fund may therefore be adversely affected.
  - **Valuation risk** – Valuation of the Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund.
- **Concentration risk** – The Fund may concentrate its investments in Europe. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes. The performance of the Fund may therefore be adversely affected.
- **Hedging risk** – The Manager, the Investment Manager and the Sub-Managers are permitted, in their absolute discretion, but not obliged, to use hedging techniques to attempt to reduce market and currency risks. There is no guarantee that hedging techniques if used, will achieve the desired result nor that hedging techniques will be used, in those cases, the Fund may be exposed to the existing market and currency risks and may be adversely impacted. The hedging, if any, against foreign exchange risks may or may not be up to 100% of assets of the Fund.
- **Class currency risk** – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor

whose base currency of investment is Hong Kong dollars (i.e. not Australian dollars) and chooses to invest in the AUD Hedged Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and Australian dollars upon the reconversion of its Australian dollars investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in Australian dollars.

- **RMB currency risk** – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the People's Republic of China. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including US dollars and HK dollars, are susceptible to movements based on external factors. Accordingly, the investment in Classes denominated in RMB may be adversely affected by the fluctuations in the exchange rate between RMB and other foreign currencies.

  RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government.

  Classes denominated in RMB will generally be valued with reference to RMB (CNH) rather than RMB (CNY). While RMB (CNH) and RMB (CNY) represent the same currency, they are traded in different and separate markets which operate independently. As such RMB (CNH) does not necessarily have the same exchange rate and may not move in the same direction as RMB (CNY). Any divergence between RMB (CNH) and RMB (CNY) may adversely impact investors.

  Classes denominated in RMB participate in the offshore RMB (CNH) market, which allow investors to freely transact CNH outside of mainland China.

  Classes denominated in RMB will have no requirement to remit CNH to onshore RMB (CNY). Non-RMB based investors (e.g. Hong Kong investors) in Classes denominated in RMB may have to convert HK dollar or other currencies into RMB when investing in Classes denominated in RMB and subsequently convert the RMB redemption proceeds and/or distributions (if any) back to HK dollar or such other currencies. Investors will incur currency conversion costs and you may suffer losses depending on the exchange rate movements of RMB relative to HK dollar or such other currencies. Also, there can be no assurance that RMB will not be subject to devaluation and any depreciation of RMB could adversely affect the value of the investor's investment in the Fund.

  Even if the Fund aims at paying redemption monies and/or distributions of RMB denominated Classes in RMB, the Manager may, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, pay redemption monies and/or distributions in the Fund's base currency. There is also a risk that payment of redemption monies and/or distributions in RMB may be delayed when there is not sufficient amount of RMB for currency conversion for settlement of the redemption monies and distributions in a timely manner due to the exchange controls and restrictions applicable to RMB. In any event, the redemption proceeds will be paid not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.
- **Currency Hedged Classes risk** – Each Currency Hedged Class may hedge the Fund's denominated currency back to its currency of denomination, with an aim to provide a return on investment which correlates with the return of the Class of unit which is denominated in the base currency of the Fund. The costs and resultant profit or loss on the hedging transactions will be reflected in the net asset value per unit for the units of the relevant Currency Hedged Classes. The costs relating to such hedging transactions which may be significant depending on prevailing market conditions shall be borne by that Currency Hedged Class only.

  The precise hedging strategy applied to a particular Currency Hedged Class may vary. In addition, there is no guarantee that the desired hedging instruments will be available or hedging strategy will achieve its desired result. In such circumstances, investors of the Currency Hedged Class may still be subject to the currency exchange risk on an unhedged basis (which means that, for example, if the hedging strategy in respect of the RMB Hedged Class is ineffective, depending on the exchange rate movements of RMB relative to the base currency of the Fund, and/or other currency(ies) of the non-RMB denominated underlying investment of the Fund, (i) investors may still suffer losses even if there are gains or no losses in the value of the non-RMB denominated underlying investments; or (ii) investors may suffer additional losses if the non-RMB denominated underlying investments of the Fund fall in value). If the counterparties of the instruments used for hedging purposes default, investors of the Currency Hedged Classes may be exposed to the currency exchange risk on an unhedged basis and may therefore suffer further losses.
- **Distribution risk** – The Manager intends to distribute at least 85% of the income (net of expenses) attributable to each Class in respect of each accounting period. However, there is no assurance on such distribution or the distribution rate or dividend yield.
- **Payment of distributions out of capital risk** – Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realized and unrealized capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment, as a result, the capital that the Fund has available for investment in the future and capital growth may be reduced. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit. Also, a high distribution yield does not imply a positive or high return on the total investment.

  The distribution amount and NAV of the Currency Hedged Class may be adversely affected by differences in the interest rates of the denominated currency of the Currency Hedged Class and the base currency of the Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-hedged Classes.

  While the hedging strategy may protect investors of the Currency Hedged Classes against a decrease in the value of the Fund's base currency relative to the denominated currency of that Currency Hedged Class, the hedging strategy may substantially limit the benefits of any potential

increase in the value of a Currency Hedged Class expressed in the Class currency, if the Currency Hedged Class' denominating currency falls against the base currency of the Fund.

- **Risks related to the Eurozone sovereign debt crisis** - The Fund may invest substantially in the Eurozone. In light of the ongoing fiscal conditions and concerns on the sovereign debt risk of certain countries within the Eurozone (in particular, Portugal, Ireland, Italy, Greece and Spain), the Fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. The performance of the Fund may deteriorate significantly should there be any adverse credit events (e.g. downgrade of the sovereign credit rating, obligation default, etc) of any Eurozone country or exit of members from the Eurozone.
- **投資風險** — 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **與債務證券相關的風險** — 基金於債務證券之投資須承受以下風險：
  - **低於投資級別／未獲評級投資之風險** — 基金可投資於未獲評級或獲國際認可評級機構低於投資級別之評級之債券及其他債務證券。因此，該等投資將承受較其他評級較高的證券為高之信貸及流通性風險。於經濟下滑時，該等債券一般較投資級別債券價格跌幅更大，因其通常承受較高之發行人違約風險。當基金投資的任何高收益債券違約或如利率改變，基金資產淨值或會下跌或受負面影響。
  - **投資級別債券風險** — 投資級別債券獲信貸評級機構（包括但不限於惠譽、穆迪及／或標準普爾）於信用可靠性或債券發行的違約風險的基礎上給予屬於高評級界別的評級。評級機構覆核該等評級。倘若經濟環境（例如市場或其他情況）影響有關債券發行，該等債券的評級可能因此被下調。債券評級的下調或會對該等債券之價值造成不利影響，基金的表現亦可能因而受到不利影響。本基金不一定能夠出售被下調評級的債券。此外，基金可能面對較高不獲履行支付利息及償還本金之責任的風險。因此，投資者收回的金額可能低於原本的投資額。
  - **信貸風險** — 倘若本基金之資產所投資之任何證券之發行人違約，本基金之表現將會受負面影響及本基金可能承受重大損失。定息證券不履行支付利息或本金之責任或會對本基金之表現造成不利影響。發行人的信貸質素降低，或會對有關債券及本基金之估值造成不利影響。信貸評級機構給予的信貸評級存在局限，並不保證證券及／或發行人在所有時候的信用可靠性。
  - **利率風險** — 本基金之資產所投資之一些國家之利率可能會有所波動。任何該等波動可能會對本基金所收到之收益及其資本價值有直接影響。債券特別容易受到利率變動所影響，並且可能承受顯著的價格波動。債券的價格一般會隨利率下降而上升；隨利率上升而下跌。較長期債券通常對利率變動較為敏感。基金之表現可能因而會受不利影響。
  - **估值風險** — 本基金的投資估值或會涉及不明朗因素及判定性的決定。倘若該等估值不正確，此可能影響本基金的資產淨值計算。
- **集中風險** — 本基金可能集中投資於歐洲。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **貨幣風險** — 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **衍生工具風險** — 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。
- **流通性風險** — 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不足，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。基金之表現可能因而會受不利影響。
- **對沖風險** — 經理人、投資經理人及助理經理人獲准有絕對酌情權（但並非必須）採用對沖方法以嘗試減低市場及貨幣風險。概無保證該等對沖方法（如採用）將會達到預期之效果或該等對沖方法將獲得採用，在該等情形下，基金可能需承受現有之市場及貨幣風險，並可能受到不利影響。對匯率風險所作出的對沖（如有）可能或未必高達基金資產之100%。
- **類別貨幣風險** — 各類別之類別貨幣可能不同於基金之基本貨幣及其所投資的資產之貨幣及／或投資者之投資的基本貨幣。倘若投資者將其投資之基本貨幣轉換為類別貨幣以投資於一特定類別，及於其後將贖回所得由該類別貨幣轉換至其原有之投資基本貨幣，投資者可能因該類別貨幣對該原有貨幣貶值而蒙受損失。舉例而言，倘投資者之投資基本貨幣為港元（即非澳元）而選擇投資於澳元對沖類別，則該投資者可能承受較高的貨幣風險。與以澳元為原有之投資基本貨幣的投資者相比，該投資者可能因在將其澳元投資再轉換回港元時，港元與澳元之匯率波動而蒙受較高損失。
- **人民幣貨幣風險** — 人民幣匯率為一個受管理的浮動匯率，匯率基於市場供求及參考一籃子外國貨幣而釐定。人民幣匯率亦受制於外匯管制政策。於銀行間外匯市場中人民幣兌其他主要貨幣可按中華人民共和國之有關主管機構發佈的中央平價窄幅上落。由於匯率受政府政策及市場力量影響，人民幣兌包括美元及港元在內的其他貨幣的匯率將容易因外圍因素而變動。因此，投資於以人民幣計價的類別可能會因人民幣與其他外幣之間的匯率波動而受到不利的影響。

  人民幣現時不可自由兌換。將境外人民幣(CNH)兌換為境內人民幣(CNY)是一項貨幣管理程序，須遵守由中國政府實施的外匯管制政策及限制。

  人民幣類別一般參考境外人民幣(CNH)而非境內人民幣(CNY)計價。境外人民幣(CNH)及境內人民幣(CNY)雖屬相同貨幣，但有關貨幣在獨立運作的不同和個別市場上買賣。因此，境外人民幣(CNH)與境內人民幣(CNY)的匯率未必相同，匯率走勢亦可能不一樣。境外人民幣(CNH)與境內人民幣(CNY)間出現任何差異，可能對投資者造成不利影響。

  以人民幣計價的類別參與境外人民幣(CNH)市場，可在中國大陸境外自由交易境外人民幣(CNH)。以人民幣計價的類別毋須將境外人民幣(CNH)匯成境內人民幣(CNY)。並非以人民幣為基本貨幣的投資者（如香港投資者），在投資以人民幣計價的類別時可能須將港元或

其他貨幣兌換為人民幣，其後亦須將人民幣贖回所得款項及／或人民幣分派（如有）兌換為港元或該等其他貨幣。投資者將招致匯兌成本，並可能蒙受損失，視乎人民幣相對於港元或該等其他貨幣的匯率走勢而定。此外，概不能保證人民幣不會貶值，而人民幣的任何貶值可能對投資者於基金的投資價值造成不利影響。

即使基金打算以人民幣支付贖回款項及／或以人民幣計價的類別的分派，惟在極端市況下市場未能提供足夠人民幣作貨幣兌換時及獲信託管理人批准後，經理人可以基金的基本貨幣支付贖回款項及／或分派。如因人民幣適用的外匯管制政策及限制而未能及時具備足夠的人民幣供結算贖回款項及／或分派，亦存在以人民幣支付的贖回款項及／或分派或會被延誤的風險。無論如何，贖回所得款項將於單位被贖回及經理人已接獲以指定格式正式填妥之贖回要求及信託管理人或經理人可能合理要求之其他資料之有關交易日後一個曆月內支付。

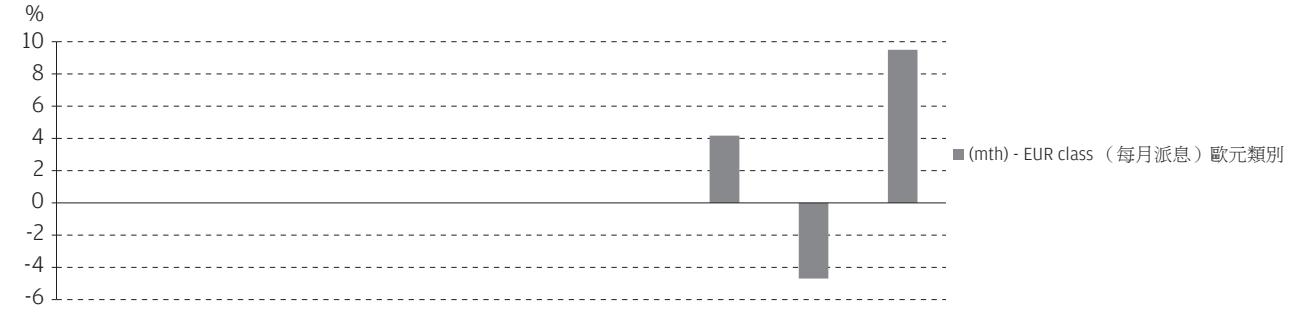
- **貨幣對沖類別風險** — 各貨幣對沖類別可將基金之計價貨幣對沖回其計價貨幣，旨在提供與以基金之基本貨幣計價的類別相關的投資回報。對沖交易的成本及所得盈虧將會反映於有關貨幣對沖類別單位之每單位資產淨值內。有關該等對沖交易的任何成本視乎當前市況而定可屬重大，將只由該貨幣對沖類別承擔。

  應用於某特定貨幣對沖類別之確切對沖策略或會不同。此外，概不保證能夠獲得預期的對沖工具或對沖策略將會達到預期效果。在該等情況下，貨幣對沖類別之投資者可能仍需承受未對沖之貨幣兌換風險（舉例而言，如人民幣對沖類別之對沖策略無效，視乎人民幣相對於基金的基本貨幣，及／或該基金的非人民幣計價相關資產的其他貨幣的匯率走勢而定：(i)即使非人民幣計價的相關資產的價值上有收益或並無虧損，投資者仍可能蒙受損失；或(ii)如基金的非人民幣計價相關資產的價值下跌，投資者可能蒙受額外損失）。倘若用作對沖目的之工具之交易對象違約，貨幣對沖類別的投資者可能承受未對沖的貨幣兌換風險及可能因此承受進一步損失。

  儘管對沖策略可能保護貨幣對沖類別的投資者免受基金的基本貨幣相對於貨幣對沖類別之計價貨幣之價值下跌所影響，惟倘若貨幣對沖類別之計價貨幣對基金之基本貨幣下跌，則該對沖策略可能大幅限制以類別貨幣列值的貨幣對沖類別之任何潛在升值的利益。
- **分派風險** — 經理人擬在扣除開支後，將各類別在每一會計期間分別應佔之收益的最少85%作出分派。然而，該分派或分派率或收益率並不獲保證。
- **從資本撥款作出分派之風險** — 當基金所產生之收入並不足夠支付基金宣佈之分派時，經理人可酌情決定該等分派可能由資本（包括實現與未實現資本收益）撥款支付。投資者應注意，從資本撥款支付分派即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。因此，基金未來可用作投資的資本及資本增值或會減少。基金作出任何分派均可能導致每單位資產淨值即時下跌。此外，高分派收益並不表示總投資的正或高回報。

  貨幣對沖類別之分派金額及資產淨值可能受到貨幣對沖類別的計價貨幣與基金的基本貨幣之利率差異的不利影響，導致從資本撥款支付分派的金額增加，繼而使資本被侵蝕的程度較其他非對沖類別為高。
- **歐元區主權債務危機風險** — 本基金可能大量投資在歐元區。鑑於某些歐元區內若干國家（尤其是葡萄牙、愛爾蘭、意大利、希臘和 西班牙）持續的財政狀況及對主權債務風險的憂慮，本基金於該地區的投資可能承受較高的波動、流通性、貨幣及違約風險。當任何歐元區國家發生任何不利信貸事件（例如主權信貸評級調低、債務違約等）或成員國退出歐元區，本基金的表現可能會顯著惡化。

How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	-	-	-	-	-	-	-	4.2	-4.7	9.5

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views “(mth) - EUR class” being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- Fund launch date: 2016
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。

- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（每月派息）歐元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 如年內沒有顯示有關的業績表現，即代表當年沒有足夠數據用作提供業績表現之用。
- 本基金成立日期：2016

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	3.0% of NAV 資產淨值之3.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.0% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.0%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%, subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%，根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。
- 最近12個月的分派成分（即從(i)可分派收入淨額及(ii)資本所派發的相對金額），可向經理人索取及於以下網頁查閱：am.jpmorgan.com/hk [1]。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_BGI253/DP/v9/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Europe Strategic Dividend Fund
摩根歐洲市場策略股息基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Sub-Manager 助理經理人：	JPMorgan Asset Management (UK) Ltd., UK (internal delegation) 英國（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Limited 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	(mth) - AUD (hedged) class （每月派息）澳元對沖類別 1.75%† (mth) - EUR class （每月派息）歐元類別 1.75%† (mth) - HKD (hedged) class （每月派息）港元對沖類別 1.75%† (mth) - RMB (hedged) class[1] （每月派息）人民幣對沖類別[1] 1.75%† (mth) - USD (hedged) class （每月派息）美元對沖類別 1.75%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. [1] This class is not available on the J.P. Morgan eTrading platform. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。 [1] 摩根網上交易平台並不提供此類別。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	EUR (The classes offered in Hong Kong are in Australian dollars, Euro, HK dollars, Renminbi and US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 歐元（在香港銷售之類別分別以澳元、歐元、港元、人民幣及美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	For (mth) Classes - Monthly distribution* (discretionary). Distributions may be paid out of capital which represents a return or withdrawal of part of the amount an investor originally invested or from any capital gains attributable to that original investment. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit. （每月派息）類別－每月分派*（酌情決定）。分派可能從資本撥款，即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。基金作出任何分派均可能導致每單位資產淨值即時下跌。
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): For RMB denominated Classes: RMB16,000 or its equivalent in another currency For other Classes: USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month

整額（首次及其後每次相同）：
就以人民幣計價的類別而言：人民幣16,000元或其他貨幣之等值
就其他類別而言：2,000美元或其他貨幣之等值
定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.

* Any distributions will be reinvested automatically in the subscription of further units of the corresponding Class of units of the Fund, or paid in cash provided certain conditions are met. Please refer to the section "DISTRIBUTION POLICY" in the Explanatory Memorandum of the Fund. The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval (if applicable) and one month's prior notice to the relevant unitholders.

經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

* 任何分派將自動再投資於認購基金相應單位類別的更多單位（或於符合若干特定情況下，以現金分派）。請參閱本基金的基金說明書內之「收益分派政策」一節。經理人可全權酌情決定修改收益分派政策，惟須獲得證監會事先批准（如適用），及須給予相關單位持有人一個月的事先通知。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

To aim to provide income and long term capital growth by investing at least 70% of its total net asset value in equity securities of companies which are based in, listed on stock exchange of or operate principally in Europe and are expected to pay dividends. Such equity securities are issued by the companies whose management indicates their intention on future dividend payouts to shareholders. The following factors are typically considered when determining such equity securities, but are not limited to: public company announcements and company interviews with regard to dividend policies; cash flow analysis; and historical records. In search of income, the Fund may have significant positions in specific sectors or countries from time to time.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund may invest up to 30% of its total net asset value in equity securities other than European equity securities that are expected to pay dividends.

The Fund may invest up to 10% of its total net asset value in debt securities.

The Fund may also invest in derivatives such as options, warrants, and futures for investment purposes and may under limited circumstances (e.g. for cash management purpose) as considered appropriate by the Manager and the Investment Manager, hold temporarily up to 100% of its total net asset value in cash and cash based instruments.

Currently, the Fund does not intend to i) invest in asset-backed securities (including mortgage-backed securities and asset-backed commercial securities); or ii) enter into securities lending arrangements, repurchase agreements, reverse repurchase agreements or other similar over-the counter transactions. Should these investment policies change in the future, the Manager will follow the appropriate legal and regulatory requirements and the offering document will be updated accordingly.

The Fund will have limited Renminbi (RMB) denominated underlying investments.

透過投資其總資產淨值至少70%於以歐洲為基地、在當地交易所上市或主要在當地經營，並預期會派發股息之公司之股票證券，以期提供收益及長期資本增長。該等股票證券由其管理層表示有意在未來向股東派息的公司所發行。在決定該等股票證券時通常考慮（但不限於）以下因素：上市公司公告和有關股息政策方面之公司訪問、現金流分析和過往記錄。基金可為尋求收益而不時在特定行業或國家擁有重大持倉。

基金在任何行業可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。

基金可投資其總資產淨值最多30%於預期派息的歐洲股票證券以外之股票證券。

基金可投資其總資產淨值最多10%於債務證券。

基金亦可為投資目的而投資於衍生工具，例如期權、認股權證及期貨，並在經理人及投資經理人認為合適之有限情況下（例如為現金管理目的），將其總資產淨值最多100%暫時持有現金及以現金為本的工具。

目前，基金並無意向i)投資於資產抵押證券（包括按揭證券及資產抵押商業證券）；或ii)訂立證券借貸、回購協議、反向回購協議安排或類似的場外交易。本投資政策於未來如有改變，經理人將遵照合適的法律及監管要求行事，而銷售文件將作出相應更新。

基金將有限度投資於以人民幣計價相關投資項目。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Dividend-paying equity risk** – There can be no guarantee that the companies that the Fund invests in and which have historically paid dividends will continue to pay dividends or to pay dividends at the current rates in the future. The reduction or discontinuation of dividend payments may have a negative impact on the value of the Fund's holdings and consequently, the Fund may be adversely impacted.
- **Concentration risk** – The Fund may concentrate its investments in Europe and certain specific sectors. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting Europe and/or the sector in which it invests.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes. The performance of the Fund may therefore be adversely affected.
- **Risks related to the Eurozone sovereign debt crisis** – The Fund may invest substantially in the Eurozone. In light of the ongoing fiscal conditions and concerns on the sovereign debt risk of certain countries within the Eurozone (in particular, Portugal, Ireland, Italy, Greece and Spain), the Fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. The performance of the Fund may deteriorate significantly should there be any adverse credit events (e.g. downgrade of the sovereign credit rating, obligation default, etc) of any Eurozone country or exit of members from the Eurozone.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **Class currency risk** – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not Australian dollars) and chooses to invest in the AUD Hedged Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and Australian dollars upon the reconversion of its Australian dollars investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in Australian dollars.
- **Distribution risk** – The Manager intends to distribute at least 85% of the income (net of expenses) attributable to each Class in respect of each accounting period. However, there is no assurance on such distribution or the distribution rate or dividend yield.
- **Payment of distributions out of capital risk** – Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realized and unrealized capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit.

  The distribution amount and NAV of the Currency Hedged Classes may be adversely affected by differences in the interest rates of the denominated currency of the Currency Hedged Classes and the base currency of the Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-Currency Hedged Classes.
- **RMB currency risk** – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the People's Republic of China. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including US dollars and HK dollars, are susceptible to movements based on external factors. Accordingly, the investment in Classes denominated in RMB may be adversely affected by the fluctuations in the exchange rate between RMB and other foreign currencies.

RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government.

Classes denominated in RMB will generally be valued with reference to RMB (CNH) rather than RMB (CNY). While RMB (CNH) and RMB (CNY) represent the same currency, they are traded in different and separate markets which operate independently. As such RMB (CNH) does not necessarily have the same exchange rate and may not move in the same direction as RMB (CNY). Any divergence between RMB (CNH) and RMB (CNY) may adversely impact investors.

Classes denominated in RMB participate in the offshore RMB (CNH) market, which allow investors to freely transact CNH outside of mainland China. Classes denominated in RMB will have no requirement to remit CNH to onshore RMB (CNY). Non-RMB based investors (e.g. Hong Kong investors) in Classes denominated in RMB may have to convert HK dollar or other currencies into RMB when investing in Classes denominated in RMB and subsequently convert the RMB redemption proceeds and/or distributions (if any) back to HK dollar or such other currencies. Investors will incur currency conversion costs and you may suffer losses depending on the exchange rate movements of RMB relative to HK dollar or such other currencies. Also, there can be no assurance that RMB will not be subject to devaluation and any depreciation of RMB could adversely affect the value of the investor's investment in the Fund.

Even if the Fund aims at paying redemption monies and/or distributions of RMB denominated Classes in RMB, the Manager may, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, pay redemption monies and/or distributions in the fund's base currency. There is also a risk that payment of redemption monies and/or distributions in RMB may be delayed when there is not sufficient amount of RMB for currency conversion for settlement of the redemption monies and distributions in a timely manner due to the exchange controls and restrictions applicable to RMB. In any event, the redemption proceeds will be paid not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.

- **Currency Hedged Classes risk** – Each Currency Hedged Class may hedge the Fund's denominated currency back to its currency of denomination, with an aim to provide a return on investment which correlates with the return of the Class of unit which is denominated in the base currency of the Fund. The costs and resultant profit or loss on the hedging transactions will be reflected in the net asset value per unit for the units of the relevant Currency Hedged Classes. The costs relating to such hedging transactions which may be significant depending on prevailing market conditions shall be borne by that Currency Hedged Class only.

  The precise hedging strategy applied to a particular Currency Hedged Class may vary. In addition, there is no guarantee that the desired hedging instruments will be available or hedging strategy will achieve its desired result. In such circumstances, investors of the Currency Hedged Class may still be subject to the currency exchange risk on an unhedged basis (which means that, for example, if the hedging strategy in respect of the RMB Hedged Class is ineffective, depending on the exchange rate movements of RMB relative to the base currency of the Fund, and/or other currency(ies) of the non-RMB denominated underlying investment of the Fund, (i) investors may still suffer losses even if there are gains or no losses in the value of the non-RMB denominated underlying investments; or (ii) investors may suffer additional losses if the non-RMB denominated underlying investments of the Fund fall in value). If the counterparties of the instruments used for hedging purposes default, investors of the Currency Hedged Classes may be exposed to the currency exchange risk on an unhedged basis and may therefore suffer further losses.

  While the hedging strategy may protect investors of the Currency Hedged Classes against a decrease in the value of the Fund's base currency relative to the denominated currency of that Currency Hedged Class, the hedging strategy may substantially limit the benefits of any potential increase in the value of a Currency Hedged Class expressed in the Class currency, if the Currency Hedged Class' denominating currency falls against the base currency of the Fund.

- **投資風險** — 本基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於本基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** — 本基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **派息股票風險** — 概無保證本基金所投資並於以往曾派息的公司將於未來繼續派息或以現時比率派息。減少或終止派息可能對本基金的持股價值構成負面影響，因此本基金可能受到不利影響。
- **集中風險** — 本基金可能集中投資於歐洲及若干特定行業。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響歐洲及／或基金投資的行業的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **貨幣風險** — 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **流通性風險** — 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。基金之表現可能因而會受不利影響。

- **歐元區主權債務危機風險** – 本基金可能大量投資在歐元區。鑑於某些歐元區內若干國家（尤其是葡萄牙、愛爾蘭、意大利、希臘和西班牙）持續的財政狀況及對主權債務風險的憂慮，本基金於該地區的投資可能承受較高的波動、流通性、貨幣及違約風險。當任何歐元區國家發生任何不利信貸事件（例如主權信貸評級調低、債務違約等）或成員國退出歐元區，本基金的表現可能會顯著惡化。
- **衍生工具風險** – 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。
- **類別貨幣風險** – 各類別之類別貨幣可能不同於基金之基本貨幣及其所投資的資產之貨幣及／或投資者之投資的基本貨幣。倘若投資者將其投資之基本貨幣轉換為類別貨幣以投資於一特定類別，及於其後將贖回所得由該類別貨幣轉換至其原有之投資基本貨幣，投資者可能因該類別貨幣對該原有貨幣貶值而蒙受損失。舉例而言，倘投資者之投資基本貨幣為港元（即非澳元）而選擇投資於澳元對沖類別，則該投資者可能承受較高的貨幣風險。與以澳元為原有之投資基本貨幣的投資者相比，該投資者可能因在將其澳元投資再轉換回港元時，港元與澳元之匯率波動而蒙受較高損失。
- **分派風險** – 經理人擬在扣除開支後，將各類別在每一會計期間分別應佔之收益的最少85%作出分派。然而，該分派或分派率或收益率並不獲保證。
- **從資本撥款作出分派之風險** – 當基金所產生之收入並不足夠支付基金宣佈之分派時，經理人可酌情決定該等分派可能由資本（包括實現與未實現資本收益）撥款支付。投資者應注意，從資本撥款支付分派即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。基金作出任何分派均可能導致每單位資產淨值即時下跌。

  貨幣對沖類別之分派金額及資產淨值可能受到貨幣對沖類別的計價貨幣與本基金的基本貨幣之利率差異的不利影響，導致從資本撥款支付分派的金額增加，繼而使資本被侵蝕的程度較其他非貨幣對沖類別為高。
- **人民幣貨幣風險** – 人民幣匯率為一個受管理的浮動匯率，匯率基於市場供求及參考一籃子外國貨幣而釐定。人民幣匯率亦受制於外匯管制政策。於銀行間外匯市場中人民幣兌其他主要貨幣可按中華人民共和國之有關主管機構發佈的中央平價窄幅上落。由於匯率受政府政策及市場力量影響，人民幣兌包括美元及港元在內的其他貨幣的匯率將容易因外圍因素而變動。因此，投資於以人民幣計價的類別可能會因人民幣與其他外幣之間的匯率波動而受到不利的影響。

  人民幣現時不可自由兌換。將境外人民幣(CNH)兌換為境內人民幣(CNY)是一項貨幣管理程序，須遵守由中國政府實施的外匯管制政策及限制。

  人民幣類別一般參考境外人民幣(CNH)而非境內人民幣(CNY)計價。境外人民幣(CNH)及境內人民幣(CNY)雖屬相同貨幣，但有關貨幣在獨立運作的不同和個別市場上買賣。因此，境外人民幣(CNH)與境內人民幣(CNY)的匯率未必相同，匯率走勢亦可能不一樣。境外人民幣(CNH)與境內人民幣(CNY)間出現任何差異，可能對投資者造成不利影響。

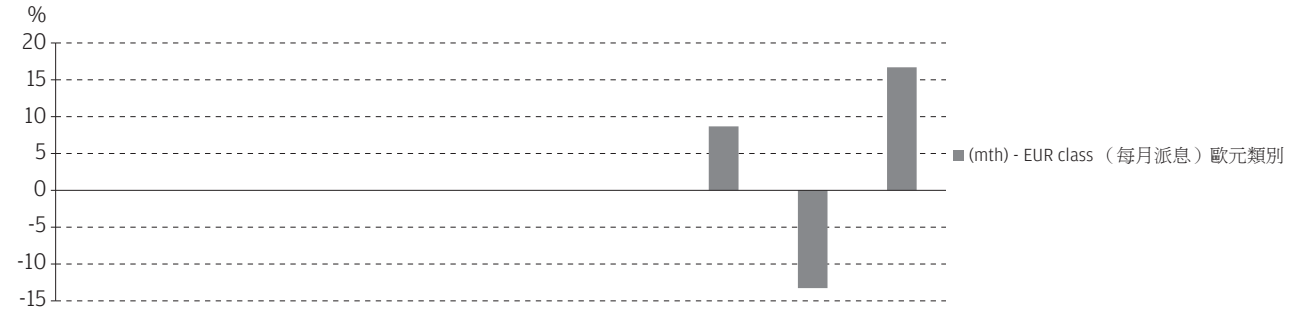
  以人民幣計價的類別參與境外人民幣(CNH)市場，可在中國大陸境外自由交易境外人民幣(CNH)。以人民幣計價的類別毋須將境外人民幣(CNH)匯成境內人民幣(CNY)。並非以人民幣為基本貨幣的投資者（如香港投資者），在投資以人民幣計價的類別時可能須將港元或其他貨幣兌換為人民幣，其後亦須將人民幣贖回所得款項及／或人民幣分派（如有）兌換為港元或該等其他貨幣。投資者將招致匯兌成本，並可能蒙受損失，視乎人民幣相對於港元或該等其他貨幣的匯率走勢而定。此外，概不能保證人民幣不會貶值，而人民幣的任何貶值可能對投資者於基金的投資價值造成不利影響。

  即使基金打算以人民幣支付贖回款項及／或以人民幣計價的類別的分派，惟在極端市況下市場未能提供足夠人民幣作貨幣兌換時及獲信託管理人批准後，經理人可以基金的基本貨幣支付贖回款項及／或分派。如因人民幣適用的外匯管制政策及限制而未能及時具備足夠的人民幣供結算贖回款項及／或分派，亦存在以人民幣支付的贖回款項及／或分派或會被延誤的風險。無論如何，贖回所得款項將於單位被贖回及經理人已接獲以指定格式正式填妥之贖回要求及信託管理人或經理人可能合理要求之其他資料之有關交易日後一個曆月內支付。
- **貨幣對沖類別風險** – 各貨幣對沖類別可將基金之計價貨幣對沖回其計價貨幣，旨在提供與以基金之基本貨幣計價的類別相關的投資回報。對沖交易的成本及所得盈虧將會反映於有關貨幣對沖類別單位之每單位資產淨值內。有關該等對沖交易的任何成本視乎當前市況而定可屬重大，將只由該貨幣對沖類別承擔。

  應用於某特定貨幣對沖類別之確切對沖策略或會不同。此外，概不保證能夠獲得預期的對沖工具或對沖策略將會達到預期效果。在該等情況下，貨幣對沖類別之投資者可能仍需承受未對沖之貨幣兌換風險（舉例而言，如人民幣對沖類別之對沖策略無效，視乎人民幣相對於基金的基本貨幣，及／或該基金的非人民幣計價相關資產的其他貨幣的匯率走勢而定：(i)即使非人民幣計價的相關資產的價值上有收益或並無虧損，投資者仍可能蒙受損失；或(ii)如基金的非人民幣計價相關資產的價值下跌，投資者可能蒙受額外損失）。倘若用作對沖目的之工具之交易對象違約，貨幣對沖類別的投資者可能承受未對沖的貨幣兌換風險及可能因此承受進一步損失。

  儘管對沖策略可能保護貨幣對沖類別的投資者免受基金的基本貨幣相對於貨幣對沖類別之計價貨幣之價值下跌所影響，惟倘若貨幣對沖類別之計價貨幣對基金之基本貨幣下跌，則該對沖策略可能大幅限制以類別貨幣列值的貨幣對沖類別之任何潛在升值的利益。

How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	-	-	-	-	-	-	-	8.7	-13.3	16.7

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views "(mth) - EUR class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- Fund launch date: 2016
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（每月派息）歐元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 如年內沒有顯示有關的業績表現，即代表當年沒有足夠數據用作提供業績表現之用。
- 本基金成立日期：2016

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.5% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.5%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%, subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%，根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽 am.jpmorgan.com/hk [1]。
- 最近12個月的分派成分（即從(i)可分派收入淨額及(ii)資本所派發的相對金額），可向經理人索取及於以下網頁查閱：am.jpmorgan.com/hk[1]。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_BGI252/DP/v9/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Evergreen Fund
摩根全天候組合基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	JPMorgan Evergreen Fund 摩根全天候組合基金 0.75%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD 美元
Dividend policy 派息政策：	Accumulative (income will be retained and reinvested within the Fund) 累計（收益將保留並撥作投資本基金）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional: USD5,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）：5,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.
經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

What is this product? 本基金是甚麼產品？

This is a fund of funds constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的組合基金。

Objective and investment strategy 目標及投資策略

The investment policy of the Fund is to seek to produce a competitive total return in different market conditions. The Fund seeks to achieve this through an actively managed portfolio of collective investment schemes and Qualified Exchange Traded Funds[1] managed by the Manager, its connected parties or external parties.

The Fund will invest primarily (i.e. at least 90% of its net asset value) in other collective investment schemes and Qualified Exchange Traded Funds. The allocation to the underlying collective investment schemes and Qualified Exchange Traded Funds (collectively "underlying schemes") will be continually monitored and reviewed and changes will be made to ensure that the Fund's objective can be achieved. The asset allocation of the Fund will change according to the Investment Manager's views of fundamental economic and market conditions and investment trends across the globe, taking into consideration factors such as liquidity, costs, timing of execution, relative attractiveness of individual securities and issuers available in the market. In other words, the Fund may invest up to all of its assets in equity underlying schemes when market conditions and opportunities favour equities. When market conditions and opportunities do not favour equities the Fund may invest up to all of its assets in fixed income and money market underlying schemes and other underlying schemes with a low correlation to equities. The Manager may invest in a range of underlying schemes whose underlying assets may be in developed and emerging markets and may embrace the full spectrum of the risk return trade off from low to high risk. The Fund invests with no prescribed asset class, regional, country, industry sector or market capitalisation limits for investment by its underlying schemes.

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The Fund will only invest in other collective investment schemes which are either authorised by the SFC[2] or eligible schemes in accordance with the list of recognised jurisdictions published by the SFC, provided that investment in any one of such schemes may not exceed 30% of the Fund's total net asset value. The Fund's investment in Qualified Exchange Traded Funds may be up to 30% of its total net asset value.

The Fund may not invest in other collective investment schemes which may use derivatives extensively for investment purposes.

基金之投資政策為透過一個積極管理之投資組合，投資於由經理人、其關連人士或外界人士管理之集體投資計劃及合資格交易所買賣基金[1]，以尋求於不同市場狀況下提供具競爭力的總回報。

基金將主要（即將其資產淨值至少90%）投資於其他集體投資計劃及合資格交易所買賣基金。

相關集體投資計劃及合資格交易所買賣基金（統稱「相關計劃」）之投資分配會被持續監察及檢討，並會作出更改以確保基金的目標能達致。基金的資產分配將會按照投資經理人對於基本經濟因素與市場狀況以及全球投資趨勢的看法，並考慮流通性、成本、執行時機、市場上可供投資的個別證券及發行人的相對吸引程度等因素而作出更改。換言之，當市場狀況及機會有利於股票投資，基金最高可將其所有資產投資於股票相關計劃。當市場狀況及機會不利於股票投資，基金最高可將其所有資產投資於固定收益及貨幣市場相關計劃，以及其他與股票市場相關程度較低之相關計劃。經理人可投資於一系列相關資產位於成熟及新興市場且涵蓋所有不同程度之風險與回報取捨範圍之相關計劃。基金所投資的相關計劃的投資並無訂明的資產類別、地區、國家、行業界別或市值限制。

基金將只投資於獲證監會認可[2]的其他集體投資計劃或證監會公佈的認可司法管轄區名單內的合資格計劃，惟於任何一個該等計劃的投資不可超過基金總資產淨值30%。基金對合資格交易所買賣基金的投資最多為其總資產淨值的30%。

基金不可投資於大量使用衍生工具作投資目的之其他集體投資計劃。

1 "Qualified Exchange Traded Funds" means exchange traded funds that are: (a) authorised by the Securities and Futures Commission of Hong Kong ("SFC")2 under 8.6 or 8.10 of the Code on Unit Trusts and Mutual Funds issued by the SFC ("UT Code"); or (b) listed and regularly traded on internationally recognised stock exchanges open to the public (nominal listing not accepted) and either (i) the principal objective of which is to track, replicate or correspond to a financial index or benchmark, which complies with the applicable requirements under 8.6 of the UT Code; or (ii) the investment objective, policy, underlying investments and product features of which are substantially in line with or comparable with those set out under 8.10 of the UT Code.

2 SFC authorisation is not a recommendation or endorsement of a fund nor does it guarantee the commercial merits of the fund or its performance. It does not mean the fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

1 「合資格交易所買賣基金」指符合以下條件的交易所買賣基金：(a)獲香港證券及期貨事務監察委員會（「證監會」）按證監會發佈的《單位信託及互惠基金守則》（「單位信託守則」）第8.6或8.10節認可2；或(b)在開放予公眾人士的國際認可證券交易所上市（名義上市不予接納）及進行定期交易，以及(i)其主要目標是要跟蹤、模擬或對應某項符合單位信託守則第8.6節所載的適用規定的金融指數或基準；或(ii)其投資目標、政策、相關投資及產品特點大致上與單位信託守則第8.10節所列的一致或相若。

2 證監會之認可並非對基金作出推介或認許，亦不是對基金的商業利弊或表現作出保證。證監會之認可並不表示基金適合所有投資者，或認許基金適合任何個別投資者或任何類別的投資者。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.

本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Risks of investing in underlying schemes** – The Fund will be subject to the risks associated with the underlying schemes. The Fund does not have control of the investments of the underlying schemes and there is no assurance that the investment objective and strategy of the underlying schemes will be successfully achieved which may have a negative impact to the total net asset value of the Fund. The underlying schemes in which the Fund may invest may not be regulated by the SFC. There may be additional costs involved when investing into these underlying schemes. There is also no guarantee that the underlying schemes will always have sufficient liquidity to meet the Fund's redemption requests as and when made.
- **Risks associated with debt securities** – the Fund's investment (via investing in the underlying schemes) in debt securities are subject to the following risks:
  - **Investment grade bond risk** – Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review such assigned ratings and bonds may therefore be downgraded in rating if economic circumstances (e.g. subject to market or other conditions) impact the relevant bond issues. Downgrading of the bonds may adversely affect the value of the relevant bonds and therefore the performance of the underlying schemes (thus the performance of the Fund). The underlying schemes may or may not be able to dispose of the bonds that are downgraded. Also, the underlying schemes may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.
  - **Below investment grade/lower rated or unrated investment risk** – The Fund (via investing in the underlying schemes) may invest in bonds and other debt securities which are unrated or with ratings below investment grade. Accordingly, such investment will be accompanied by a higher degree of credit and liquidity risks than is present with investment in higher rated securities. During economic downturns such bonds

typically fall more in value than investment grade bonds as such are often subject to a higher risk of issuer default. The net asset value of the underlying schemes may decline or be negatively affected if there is a default of any of the bonds with credit rating of below investment grade that the underlying schemes invest in or if interest rates change.

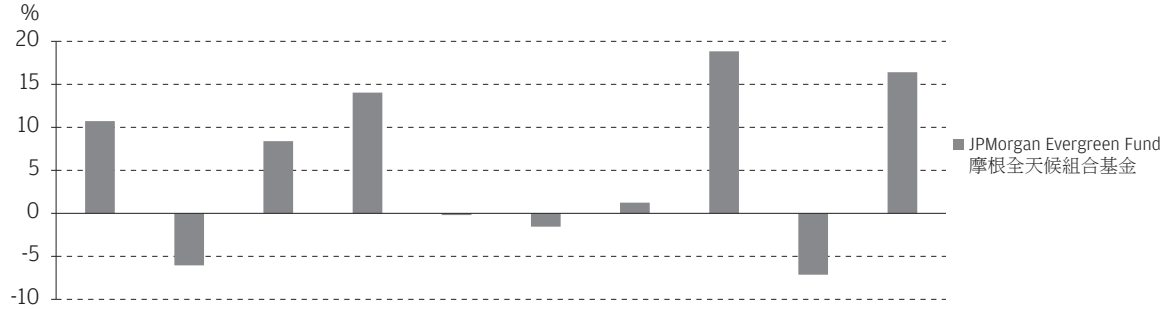
- **Credit risk** – If the issuer of any of the securities in which the underlying schemes' assets are invested defaults, the performance of the underlying schemes will be adversely affected and the underlying schemes and the Fund could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the underlying schemes and the Fund. Decline in credit quality of the issuer may adversely affect the valuation of the relevant bonds, the underlying schemes and the Fund. The credit ratings assigned by credit rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or the issuer at all times.
- **Interest rate risk** – Interest rates in the countries in which the underlying schemes' assets will be invested may be subject to fluctuations. Any such fluctuations may have a direct effect on the income received by the underlying schemes and its capital value. Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. The prices of bonds generally increase when interest rates decline and decrease when interest rates rise. Longer term bonds are usually more sensitive to interest rate changes. The performance of the underlying schemes and the Fund may therefore be adversely affected.
- **Credit rating risk** – Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.
- **Sovereign debt risk** – The Fund's investment (via investing in the underlying schemes) in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Fund to participate in restructuring such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers.

- **Equity risk** – The Fund's investment (via investing in the underlying schemes) in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Emerging markets risk** – The underlying schemes invested by the Fund may invest in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.
- **Smaller companies risk** – The stock prices of small and medium-sized companies invested by the underlying schemes may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **Hedging risk** – The Manager and the Investment Manager are permitted, in their absolute discretion, but not obliged, to use hedging techniques to attempt to reduce market and currency risks. There is no guarantee that hedging techniques if used, will achieve the desired result nor that hedging techniques will be used, in those cases, the Fund may be exposed to the existing market and currency risks and may be adversely impacted. The hedging, if any, against foreign exchange risks may or may not be up to 100% of assets of the Fund.
- **Risks related to the Eurozone sovereign debt crisis** – The Fund (via investing in the underlying collective investment schemes) may invest substantially in the Eurozone. In light of the ongoing fiscal conditions and concerns on the sovereign debt risk of certain countries within the Eurozone (in particular, Portugal, Ireland, Italy, Greece and Spain), the Fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. The performance of the Fund may deteriorate significantly should there be any adverse credit events (e.g. downgrade of the sovereign credit rating, obligation default, etc) of any Eurozone country or exit of members from the Eurozone.
- **投資風險** — 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **投資於相關計劃之風險** — 基金須承受與相關計劃相關的風險。基金無法控制相關計劃之投資，概不保證相關計劃的投資目標及策略將獲達成，這可能對基金之總資產淨值造成不利影響。基金所投資的相關計劃未必受證監會規管。投資於此等相關計劃或會涉及額外成本。亦概不保證相關計劃將時刻具充足流通性，以應付基金不時之贖回要求。
- **與債務證券相關的風險** — 基金於債務證券之投資（通過投資於相關計劃）承受以下風險：
  - **投資級別債券風險** — 投資級別債券獲信貸評級機構（包括但不限於惠譽、穆迪及／或標準普爾）於信用可靠性或債券發行的違約風險的基礎上給予屬於高評級界別的評級。評級機構覆核該等評級。倘若經濟環境（例如市場或其他情況）影響有關債券發行，該等債券的評級可能因此被下調。債券評級的下調或會對該等債券之價值造成不利影響，相關計劃的表現（因此基金的表現）亦可能因而受到不利影響。相關計劃不一定能夠出售被下調評級的債券。此外，相關計劃可能面對較高不獲履行支付利息及償還本金之責任的風險。因此，投資者收回的金額可能低於原本的投資額。

- **低於投資級別／較低評級或未獲評級投資之風險** – 基金（通過投資於相關計劃）可投資於未獲評級或評級低於投資級別之債券及其他債務證券。因此，該等投資將承受較其他評級較高的證券為高之信貸及流通性風險。於經濟下滑時，該等債券一般較投資級別債券價格跌幅更大，因其通常承受較高之發行人違約風險。當相關計劃投資的任何低於投資級別的債券違約或如利率改變，相關計劃的資產淨值或會下跌或受負面影響。
- **信貸風險** – 倘若相關計劃之資產所投資之任何證券之發行人違約，相關計劃之表現將會受負面影響以及相關計劃及本基金可能承受重大損失。定息證券不履行支付利息或本金之責任或會對相關計劃及本基金之表現造成不利影響。發行人的信貸質素降低，或會對有關債券、相關計劃及本基金之估值造成不利影響。信貸評級機構給予的信貸評級存在局限，並不保證證券及／或發行人在所有時候的信用可靠性。
- **利率風險** – 相關計劃之資產所投資之一些國家之利率可能會有所波動。任何該等波動可能會對相關計劃所收到之收益及其資本價值有直接影響。債券特別容易受到利率變動所影響，並且可能承受顯著的價格波動。債券的價格一般會隨利率下降而上升；隨利率上升而下跌。較長期債券通常對利率變動較為敏感。相關計劃及基金之表現可能因而會受不利影響。
- **信貸評級風險** – 信貸評級機構給予的信貸評級存在局限，並不保證證券及／或發行人在所有時候的信用可靠性。
- **主權債務風險** – 基金（通過投資於相關計劃）投資於由政府發行或擔保的證券，可能承受政治、社會及經濟風險。在不利情況下，主權發行人未必能夠或願意在到期應付時償還本金及／或利息，或會要求基金參與該等債務的重組。主權債務發行人違約時，基金可能蒙受重大損失。

- **股票風險** – 基金於股票證券之投資（通過投資於相關計劃）須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **新興市場風險** – 基金所投資的相關計劃可能投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。
- **小型公司風險** – 由於相關計劃所投資的中小型公司的流通性較低、較容易受經濟狀況轉變影響，以及未來增長前景亦較為不確定，所以股價可能會較大型公司更為波動。
- **貨幣風險** – 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **衍生工具風險** – 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。
- **對沖風險** – 經理人及投資經理人獲准有絕對酌情權（但並非必須）採用對沖方法以嘗試減低市場及貨幣之風險。概無保證該等對沖方法（如採用）將會達到預期之效果或該等對沖方法將獲得採用，在該等情形下，基金可能需承受現有之市場及貨幣風險，並可能受到不利影響。對匯率風險所作出的對沖（如有）可能或未必高達基金資產之100%。
- **歐元區主權債務危機風險** – 本基金（通過投資於相關計劃）可能大量投資在歐元區。鑑於某些歐元區內若干國家（尤其是葡萄牙、愛爾蘭、意大利、希臘和西班牙）持續的財政狀況及對主權債務風險的憂慮，本基金於該地區的投資可能承受較高的波動、流通性、貨幣及違約風險。當任何歐元區國家發生任何不利信貸事件（例如主權信貸評級調低、債務違約等）或成員國退出歐元區，本基金的表現可能會顯著惡化。

How has the fund performed? 本基金過往的業績表現如何？



2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
10.7	-6.0	8.4	14.0	-0.2	-1.5	1.2	18.8	-7.1	16.4

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Fund launch date: 2004

- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 本基金成立日期：2004

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	3.0% of NAV 資產淨值之3.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	0.5% of NAV p.a. (maximum 2.5%) 每年資產淨值之0.5%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.03% of NAV p.a. (maximum 0.03%) 每年資產淨值之0.03%（最高可達0.03%）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_AJH234/DP/v16/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Global Bond Fund
摩根國際債券基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Trustee 信託管理人：	Bank of East Asia (Trustees) Ltd. 東亞銀行（信託）有限公司
Ongoing charges over a year 全年經常性開支比率：	(acc) - RMB (hedged) class （累計）人民幣對沖類別 0.92%† (mth) - AUD (hedged) class （每月派息）澳元對沖類別 0.92%† (mth) - CAD (hedged) class （每月派息）加元對沖類別 0.92%† (mth) - HKD class （每月派息）港元類別 0.92%† (mth) - NZD (hedged) class （每月派息）紐元對沖類別 0.92%† (mth) - RMB (hedged) class （每月派息）人民幣對沖類別 0.92%† (mth) - USD class （每月派息）美元類別 0.92%† (san) - USD class （每半年派息）美元類別 0.92%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The class offered in Hong Kong are in Australian dollars, Canadian dollars, HK dollars, New Zealand dollars, Renminbi and US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別以澳元、加元、港元、紐元、人民幣及美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。

Dividend policy 派息政策：	For (san) class - Half-yearly distribution (discretionary)*. Distributions may be paid out of capital which represents a return or withdrawal of part of the amount an investor originally invested or from any capital gains attributable to that original investment. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit.
	For (mth) class - Monthly distribution* (discretionary). Distributions may be paid out of capital which represents a return or withdrawal of part of the amount an investor originally invested or from any capital gains attributable to that original investment. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit.
	For (acc) class - Accumulative (Income will be retained and reinvested within the corresponding class)
	（每半年派息）類別 — 半年分派（酌情決定）*。分派可能從資本撥款，即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。基金作出任何分派均可能導致每單位資產淨值即時下跌。
	（每月派息）類別 — 每月分派（酌情決定）*。分派可能從資本撥款，即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。基金作出任何分派均可能導致每單位資產淨值即時下跌。
	（累計）類別 — 累計（收益將保留並撥作投資相應類別）

Financial year end 財政年度終結日：	30 September 9月30日

Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): For RMB denominated Class(es): RMB16,000 or its equivalent in another currency For other Classes: USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）： 就以人民幣計價的類別而言：人民幣16,000元或其他貨幣之等值 就其他類別而言：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.

* Any distributions will be reinvested automatically in the subscription of further units of the Fund, or paid in cash provided certain conditions are met. Please refer to the section "DISTRIBUTION POLICY" in the Explanatory Memorandum of the Fund. The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval (where applicable) and one month's prior notice to the relevant unitholders.

經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

* 任何分派將自動再投資於認購基金的更多單位（或於若干特定情況下，以現金分派）。請參閱本基金的基金說明書內之「分派政策」一節。經理人可全權酌情決定修改分派政策，惟須獲得證監會事先批准（如適用），及須給予相關單位持有人一個月的事先通知。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.

本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment policy of the Fund aims to achieve a return in excess of global bond markets by investing primarily (i.e. at least 90% of its total net asset value) in global investment grade debt securities.

Global debt securities include but are not limited to bonds, money market instruments and other debt securities which are issued by the international issuers such as government, quasi-government organizations, agencies, financial institutions, corporations, organizations or entities.

The Fund invests at least 90% of its total net asset value in global debt securities rated investment grade (rated Baa3/BBB- or higher using the highest rating available from one of the international independent rating agencies (e.g. Moody's, Standard and Poor's, Fitch)) indirectly (through investing in collective investment schemes) or directly. The Fund may invest up to 10% of its total net asset value in global debt securities rated below investment grade (rated Ba1/BB+ or below using the highest rating available from one of the international independent rating agencies (e.g. Moody's, Standard and Poor's, Fitch)) or unrated securities indirectly (through investing in collective investment schemes) or directly. When investing in debt securities, the Investment Manager will first consider the credit rating of a debt security itself and only if such credit rating is unavailable, the Investment Manager will then consider the credit rating of its issuer, which will become the implied rating of the relevant debt security. An unrated debt security refers to a debt security which neither the debt security itself nor its issuer has a credit rating. The Fund's investment in collective investment schemes will be restricted to less than 30% of its total net asset value and such underlying schemes will either be authorised by the SFC[1] or eligible schemes in accordance with the list of recognised jurisdictions published by the SFC. The investment objective and strategy of the underlying schemes which the Fund invests in are similar to those of the Fund. Both the Fund and the underlying schemes will not use derivatives extensively and will not use derivatives primarily for investment purposes.

The Fund will not invest more than 10% of its total net asset value in PRC onshore securities (including debt securities).

The Fund will not invest more than 10% of its total net asset value in Chinese debt securities traded in the China interbank bond market through the Bond Connect.

The Fund will not invest more than 10% of its total net asset value in urban investment bonds[2] (城投債).

The Fund will not invest more than 10% of its total net asset value in asset backed securities and mortgage backed securities.

The Fund may invest up to 5% of its total net asset value in instruments with loss-absorption features (e.g. contingent convertible debt securities, certain types of senior non-preferred debts, etc.).

The Fund may also invest in derivatives such as options, warrants, credit default swaps ("CDS") and futures for investment purposes and may under limited circumstances (e.g. for cash management purpose) as considered appropriate by the Manager and the Investment Manager, hold temporarily up to 100% of its total net asset value in cash and cash based instruments. However, it is not the current intention of the Manager and the Investment Manager to invest in CDS for investment purposes and should this investment policy in CDS change in the future, one month's prior notice will be given to unitholders and the offering document will be updated accordingly.

Currently, the Fund does not intend to enter into securities lending arrangements, repurchase agreements, reverse repurchase agreements or other similar over-the counter transactions. Should this investment policy change in the future, one month's prior notice will be given to unitholders (if required) and the offering document will be updated accordingly.

The Fund may invest in assets denominated in currencies other than its base currency (i.e. USD). Non USD currency exposure may be hedged.

The Fund will have limited Renminbi (RMB) denominated underlying investments.

基金之投資政策旨在透過主要（即將其總資產淨值至少90%）投資於環球投資級別債務證券的投資，以期取得較環球債券市場更高的回報。

環球債務證券包括但不限於由政府、半政府組織、機構、金融機構、企業、組織或實體等國際發行人發行的債券、貨幣市場工具及其他債務證券。

基金間接（透過投資於集體投資計劃）或直接投資其總資產淨值最少90%於具備投資級別（被一間國際獨立評級機構（如穆迪、標準普爾及惠譽）給予評級中最高獲Baa3/BBB-或以上的評級）的環球債務證券。基金可間接（透過投資於集體投資計劃）或直接投資其總資產淨值最多10%於低於投資級別（被一間國際獨立評級機構（如穆迪、標準普爾及惠譽）給予評級中最高獲Ba1/BB+或以下的評級）的環球債務證券或未獲評級證券。投資經理人在投資於債務證券時，會首先考慮債務證券本身的信貸評級，並只有在有關信貸評級未能提供時，投資經理人方會考慮其發行人的信貸評級，而有關信貸評級將成為有關債務證券的隱含評級。未獲評級的債務證券指債務證券本身或其發行人均沒有信貸評級的債務證券。基金對集體投資計劃的投資將限制在少於其總資產淨值的30%及該等相關計劃乃獲證監會認可[1]或屬證監會公佈的認可司法管轄區名單內的合資格計劃。基金所投資的相關計劃的投資目標及策略與基金相若。基金及相關計劃均不會大量使用衍生工具，亦不會使用衍生工具主要作投資目的。

基金不會將其總資產淨值10%以上投資於中國境內證券（包括債務證券）。

基金不會將其總資產淨值10%以上透過債券通投資於在中國銀行間債券市場交易的中國債務證券。

基金不會將其總資產淨值10%以上投資於城投債[2]。

基金不會將其總資產淨值10%以上投資於資產抵押證券及按揭證券。

基金可將其總資產淨值最多5%投資於具有吸收虧損特點的工具（例如或然可換股債務證券、若干類型的高級非優先債務等）。

基金亦可為投資目的而投資於衍生工具，例如期權、認股權證、信貸違約掉期及期貨，並在經理人及投資經理人認為合適之有限情況下（例如為現金管理目的），將其總資產淨值最多100%暫時持有現金及以現金為本的工具。然而，經理人及投資經理人目前並無意向為投資目的而投資於信貸違約掉期。該有關信貸違約掉期的投資政策於未來如有改變，經理人將向單位持有人發出一個月的事先通知，而銷售文件將作出相應更新。

目前，基金並無意向訂立證券借貸、回購協議、反向回購協議安排或類似的場外交易。本投資政策於未來如有改變，經理人將向單位持有人發出一個月的事先通知（如有需要），而銷售文件將作出相應更新。

基金可投資於以其基本貨幣（即美元）以外的貨幣計價的資產。非美元貨幣風險可能會被對沖。

基金將有限度地投資於人民幣計價的相關投資項目。

1 SFC authorisation is not a recommendation or endorsement of a fund nor does it guarantee the commercial merits of the fund or its performance. It does not mean the fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

2 Urban investment bonds are debt instruments issued by mainland China local government financing vehicles ("LGFVs"). These LGFVs are separate legal entities established by local governments and/or their affiliates to raise financing for public welfare investment or infrastructure projects.

1 證監會之認可並非對基金作出推介或認許，亦不是對基金的商業利弊或表現作出保證。證監會之認可並不表示基金適合所有投資者，或認許基金適合任何個別投資者或任何類別的投資者。

2 城投債為中國內地地方政府融資平台（「地方政府融資平台」）發行之債務工具。此等地方政府融資平台為由地方政府及／或其聯繫人士成立之獨立法律實體，以籌集融資作為公共福利投資或基礎建設計劃之用途。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.

本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.

投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Risks associated with debt securities** – the Fund's investments in debt securities are subject to the following risks:
  - **Credit risk** – If the issuer of any of the securities in which the Fund's assets are invested defaults, the performance of the Fund will be adversely affected and the Fund could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the Fund. Decline in credit quality of the issuer may adversely affect the valuation of the relevant bonds and the Fund. The credit ratings assigned by credit rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or the issuer at all times.
  - **Interest rate risk** – Interest rates in the countries in which the Fund's assets will be invested may be subject to fluctuations. Any such fluctuations may have a direct effect on the income received by the Fund and its capital value. Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. The prices of bonds generally increase when interest rates decline and decrease when interest rates rise. Longer term bonds are usually more sensitive to interest rate changes.

- **Below investment grade/unrated investment risk** – The Fund may invest in bonds and other debt securities which are unrated or rated below investment grade by international accredited rating agencies. Accordingly, such investment will be accompanied by a higher degree of credit and liquidity risks than is present with investment in higher rated securities. During economic downturns such bonds typically fall more in value than investment grade bonds as such are often subject to a higher risk of issuer default. The NAV of the Fund may decline or be negatively affected if there is a default of any of the bonds with credit rating of below investment grade that the Fund invests in or if interest rates change.
- **Investment grade bond risk** – Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies conditions) impact the relevant bond issues. Downgrading of the bonds may adversely affect the value of the relevant bonds and therefore the performance of the Fund. The Fund may or may not be able to dispose of the bonds that are downgraded. Also, the Fund may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.
- **Sovereign debt risk** – The Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Fund to participate in restructuring such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers.
- **Valuation risk** – Valuation of the Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund.

- **Emerging markets risk** – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes.
- **Hedging risk** – The Manager and the Investment Manager are permitted, in their absolute discretion, but not obliged, to use hedging techniques to attempt to reduce market and currency risks. There is no guarantee that hedging techniques if used, will achieve the desired result nor that hedging techniques will be used, in those cases, the Fund may be exposed to the existing market and currency risks and may be adversely impacted. The hedging, if any, against foreign exchange risks may or may not be up to 100% of assets of the Fund.
- **Class currency risk** – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not RMB) and chooses to invest in the RMB Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and RMB upon the reconversion of its RMB investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in RMB.
- **RMB currency risk** – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the People's Republic of China. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including US dollars and HK dollars, are susceptible to movements based on external factors. Accordingly, the investment in Classes denominated in RMB may be adversely affected by the fluctuations in the exchange rate between RMB and other foreign currencies. RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government.

  Class(es) denominated in RMB will generally be valued with reference to RMB (CNH) rather than RMB (CNY). While RMB (CNH) and RMB (CNY) represent the same currency, they are traded in different and separate markets which operate independently. As such RMB (CNH) does not necessarily have the same exchange rate and may not move in the same direction as RMB (CNY). Any divergence between RMB (CNH) and RMB (CNY) may adversely impact investors. Class(es) denominated in RMB participate in the offshore RMB (CNH) market, which allow investors to freely transact CNH outside of mainland China. Class(es) denominated in RMB will have no requirement to remit CNH to onshore RMB (CNY). Non-RMB based investors (e.g. Hong Kong investors) in Class(es) denominated in RMB may have to convert HK dollars or other currencies into RMB when investing in Class(es) denominated in RMB and subsequently convert the RMB redemption proceeds and/or distributions (if any) back to HK dollars

or such other currencies. Investors will incur currency conversion costs and may suffer losses depending on the exchange rate movements of RMB relative to HK dollars or such other currencies. Also, there can be no assurance that RMB will not be subject to devaluation and any depreciation of RMB could adversely affect the value of the investor's investment in the Fund.

Even if the Fund aims at paying redemption monies and/or distributions of RMB denominated Class(es) in RMB, the Manager may, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, pay redemption monies and/or distributions in US dollars. There is also a risk that payment of redemption monies and/or distributions in RMB may be delayed when there is not sufficient amount of RMB for currency conversion for settlement of the redemption monies and distributions in a timely manner due to the exchange controls and restrictions applicable to RMB. In any event, the redemption proceeds will be paid not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.

- **Currency Hedged Classes risk** – Each Currency Hedged Class may hedge the Fund's denominated currency back to its currency of denomination, with an aim to provide a return on investment which correlates with the return of the Class of unit which is denominated in the base currency of the Fund. The costs and resultant profit or loss on the hedging transactions will be reflected in the net asset value per unit for the units of the relevant Currency Hedged Classes. The costs relating to such hedging transactions which may be significant depending on prevailing market conditions shall be borne by that Currency Hedged Class only.

  The precise hedging strategy applied to a particular Currency Hedged Class may vary. In addition, there is no guarantee that the desired hedging instruments will be available or hedging strategy will achieve its desired result. In such circumstances, investors of the Currency Hedged Class may still be subject to the currency exchange risk on an unhedged basis (which means that, for example, if the hedging strategy in respect of the RMB Hedged Class is ineffective, depending on the exchange rate movements of RMB relative to the base currency of the Fund, and/or other currency(ies) of the non-RMB denominated underlying investment of the Fund, (i) investors may still suffer losses even if there are gains or no losses in the value of the non-RMB denominated underlying investments; or (ii) investors may suffer additional losses if the non-RMB denominated underlying investments of the Fund fall in value). If the counterparties of the instruments used for hedging purposes default, investors of the Currency Hedged Classes may be exposed to the currency exchange risk on an unhedged basis and may therefore suffer further losses.

  While the hedging strategy may protect investors of the Currency Hedged Classes against a decrease in the value of the Fund's base currency relative to the denominated currency of that Currency Hedged Class, the hedging strategy may substantially limit the benefits of any potential increase in the value of a Currency Hedged Class expressed in the Class currency, if the Currency Hedged Class' denominating currency falls against the base currency of the Fund.

- **Payment of distributions out of capital risk** – Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realized and unrealized capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment. As a result, the capital that the Fund has available for investment in the future and capital growth may be reduced. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit. Also, a high distribution yield does not imply a positive or high return on the total investment.

  The distribution amount and NAV of the Currency Hedged Class may be adversely affected by differences in the interest rates of the denominated currency of the Currency Hedged Class and the base currency of the Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-hedged Classes.

- **Risks related to the Eurozone sovereign debt crisis** – The Fund may invest substantially in the Eurozone. In light of the ongoing fiscal conditions and concerns on the sovereign debt risk of certain countries within the Eurozone (in particular, Portugal, Ireland, Italy, Greece and Spain), the Fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. The performance of the Fund may deteriorate significantly should there be any adverse credit events (e.g. downgrade of the sovereign credit rating, obligation default, etc) of any Eurozone country or exit of members from the Eurozone.

- **投資風險** — 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。

- **與債務證券相關的風險** — 基金於債務證券之投資須承受以下風險：
  - **信貸風險** — 倘若本基金之資產所投資之任何證券之發行人違約，本基金之表現將會受負面影響及本基金可能承受重大損失。定息證券不履行支付利息或本金之責任或會對本基金之表現造成不利影響。發行人的信貸質素降低，或會對有關債券及本基金之估值造成不利影響。信貸評級機構給予的信貸評級存在局限，並不保證證券及／或發行人在所有時候的信用可靠性。
  - **利率風險** — 本基金之資產所投資之一些國家之利率可能會有所波動。任何該等波動可能會對本基金所收到之收益及其資本價值有直接影響。債券特別容易受到利率變動所影響，並且可能承受顯著的價格波動。債券的價格一般會隨利率下降而上升；隨利率上升而下跌。較長期債券通常對利率變動較為敏感。
  - **低於投資級別／未獲評級投資之風險** — 基金可投資於未獲評級或獲國際認可評級機構低於投資級別之評級之債券及其他債務證券。因此，該等投資將承受較其他評級較高的證券為高之信貸及流通性風險。於經濟下滑時，該等債券一般較投資級別債券價格跌幅更大，因其通常承受較高之發行人違約風險。當基金投資的任何低於投資級別的債券違約或如利率改變，基金資產淨值或會下跌或受負面影響。

- **投資級別債券風險** – 投資級別債券獲信貸評級機構（包括但不限於惠譽、穆迪及／或標準普爾）於信用可靠性或債券發行的違約風險的基礎上給予屬於高評級界別的評級。評級機構覆核該等評級。倘若經濟環境（例如市場或其他情況）影響有關債券發行，該等債券的評級可能因此被下調。債券評級的下調或會對該等債券之價值造成不利影響，基金的表現亦可能因而受到不利影響。本基金不一定能夠出售被下調評級的債券。此外，基金可能面對較高不獲履行支付利息及償還本金之責任的風險。因此，投資者收回的金額可能低於原本的投資額。
- **主權債務風險** – 基金投資於由政府發行或擔保的證券，可能承受政治、社會及經濟風險。在不利情況下，主權發行人未必能夠或願意在到期應付時償還本金及／或利息，或會要求基金參與該等債務的重組。主權債務發行人違約時，基金可能蒙受重大損失。
- **估值風險** – 基金的投資估值或會涉及不明朗因素及判定性的決定。倘若該等估值不正確，此可能影響基金的資產淨值計算。

- **新興市場風險** – 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。
- **貨幣風險** – 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **衍生工具風險** – 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。
- **流通性風險** – 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。
- **對沖風險** – 經理人及投資經理人獲准有絕對酌情權（但並非必須）採用對沖方法以嘗試減低市場及貨幣之風險。概無保證該等對沖方法（如採用）將會達到預期之效果或該等對沖方法將獲得採用，在該等情形下，基金可能需承受現有之市場及貨幣風險，並可能受到不利影響。對匯率風險所作出的對沖（如有）可能或未必高達基金資產 之100%。
- **類別貨幣風險** – 各類別之類別貨幣可能不同於基金之基本貨幣及其所投資的資產之貨幣及／或投資者之投資的基本貨幣。倘若投資者將其投資之基本貨幣轉換為類別貨幣以投資於一特定類別，及於其後將贖回所得由該類別貨幣轉換至其原有之投資基本貨幣，投資者可能因該類別貨幣對該原有貨幣貶值而蒙受損失。舉例而言，倘投資者之投資基本貨幣為港元（即非人民幣）而選擇投資於人民幣類別，則該投資者可能承受較高的貨幣風險。與以人民幣為原有之投資基本貨幣的投資者相比，該投資者可能因在將其人民幣投資再轉換回港元時，港元與人民幣之匯率波動而蒙受較高損失。
- **人民幣貨幣風險** – 人民幣匯率為一個受管理的浮動匯率，匯率基於市場供求及參考一籃子外國貨幣而釐定。人民幣匯率亦受制於外匯管制政策。於銀行間外匯市場中人民幣兌其他主要貨幣可按中華人民共和國之有關主管機構發佈的中央平價窄幅上落。由於匯率受政府政策及市場力量影響，人民幣兌包括美元及港元在內的其他貨幣的匯率將容易因外圍因素而變動。因此，投資於以人民幣計價的類別可能會因人民幣與其他外幣之間的匯率波動而受到不利的影響。人民幣現時不可自由兌換。將境外人民幣(CNH)兌換為境內人民幣(CNY)是一項貨幣管理程序，須遵守由中國政府實施的外匯管制政策及限制。

  人民幣類別一般參考境外人民幣(CNH)而非境內人民幣(CNY)計價。境外人民幣(CNH)及境內人民幣(CNY)雖屬相同貨幣，但有關貨幣在獨立運作的不同和個別市場上買賣。因此，境外人民幣(CNH)與境內人民幣(CNY)的匯率未必相同，匯率走勢亦可能不一樣。境外人民幣(CNH)與境內人民幣(CNY)間出現任何差異，可能對投資者造成不利影響。以人民幣計價的類別參與境外人民幣(CNH)市場，可在中國大陸境外自由交易境外人民幣(CNH)。以人民幣計價的類別毋須將境外人民幣(CNH)匯成境內人民幣(CNY)。並非以人民幣為基本貨幣的投資者（如香港投資者），在投資以人民幣計價的類別時可能須將港元或其他貨幣兌換為人民幣，其後亦須將人民幣贖回所得款項及／或人民幣分派（如有）兌換為港元或該等其他貨幣。投資者將招致匯兌成本，並可能蒙受損失，視乎人民幣相對於港元或該等其他貨幣的匯率走勢而定。此外，不能保證人民幣不會貶值，而人民幣貶值可對投資者於基金的投資價值產生不利影響。

  即使基金打算以人民幣支付贖回款項及／或以人民幣計價的類別的分派，惟在極端市況下市場未能提供足夠人民幣作貨幣兌換時及獲信託管理人批准後，經理人可以美元支付贖回款項及／或分派。如因人民幣適用的外匯管制政策及限制而未能及時具備足夠的人民幣供結算贖回款項及／或分派，亦存在以人民幣支付的贖回款項及／或分派或會被延誤的風險。無論如何，贖回所得款項將於單位被贖回及經理人已接獲以指定格式正式填妥之贖回要求及信託管理人或經理人可能合理要求之其他資料之有關交易日後一個曆月內支付。
- **貨幣對沖類別風險** – 各貨幣對沖類別可將基金之計價貨幣對沖回其計價貨幣，旨在提供與以基金之基本貨幣計價的類別相關的投資回報。對沖交易的成本及所得盈虧將會反映於有關貨幣對沖類別單位之每單位資產淨值內。有關該等對沖交易的任何成本視乎當前市況而定可屬重大，將只由該貨幣對沖類別承擔。

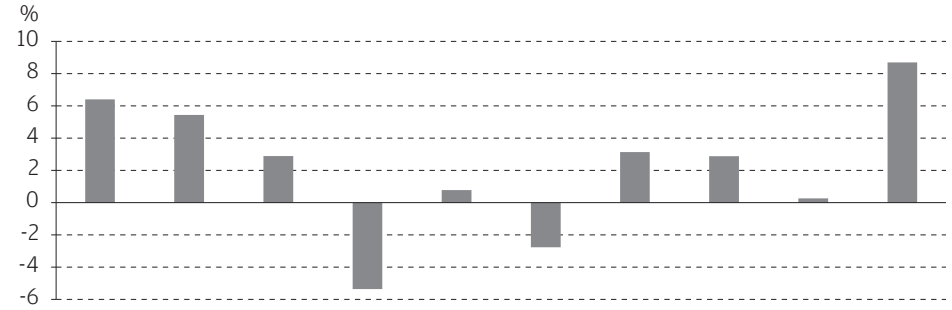
  應用於某特定貨幣對沖類別之確切對沖策略或會不同。此外，概不保證能夠獲得預期的對沖工具或對沖策略將會達到預期效果。在該等情況下，貨幣對沖類別之投資者可能仍需承受未對沖之貨幣兌換風險（舉例而言，如人民幣對沖類別之對沖策略無效，視乎人民幣相對於基金的基本貨幣，及／或該基金的非人民幣計價相關資產的其他貨幣的匯率走勢而定：(i)即使非人民幣計價的相關資產的價值上有收益或並無虧損，投資者仍可能蒙受損失；或(ii)如基金的非人民幣計價相關資產的價值下跌，投資者可能蒙受額外損失）。倘若用作對沖目的之工具之交易對象違約，貨幣對沖類別的投資者可能承受未對沖的貨幣兌換風險及可能因此承受進一步損失。

儘管對沖策略可能保護貨幣對沖類別的投資者免受基金的基本貨幣相對於貨幣對沖類別之計價貨幣之價值下跌所影響，惟倘若貨幣對沖類別之計價貨幣對基金之基本貨幣下跌，則該對沖策略可能大幅限制以類別貨幣列值的貨幣對沖類別之任何潛在升值的利益。

- **從資本撥款作出分派之風險** — 當基金所產生之收入並不足夠支付基金宣佈之分派時，經理人可酌情決定該等分派可能由資本（包括實現與未實現資本收益）撥款支付。投資者應注意，從資本撥款支付分派即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。因此，基金未來可用作投資的資本及資本增值或會減少。基金作出任何分派均可能導致每單位資產淨值即時下跌。此外，高分派收益並不表示總投資的正或高回報。

  貨幣對沖類別之分派金額及資產淨值可能受到貨幣對沖類別的計價貨幣與基金的基本貨幣之利率差異的不利影響，導致從資本撥款支付分派的金額增加，繼而使資本被侵蝕的程度較其他非對沖類別為高。
- **歐元區主權債務危機風險** — 本基金可能大量投資在歐元區。鑑於某些歐元區內若干國家（尤其是葡萄牙、愛爾蘭、意大利、希臘和西班牙）持續的財政狀況及對主權債務風險的憂慮，本基金於該地區的投資可能承受較高的波動、流通性、貨幣及違約風險。當任何歐元區國家發生任何不利信貸事件（例如主權信貸評級調低、債務違約等）或成員國退出歐元區，本基金的表現可能會顯著惡化。

How has the fund performed? 本基金過往的業績表現如何？



■ (san) - USD class （每半年派息）美元類別

1 On 13 May 2015, the investment objective, policy and restrictions were changed. Performance prior to 13 May 2015 was achieved under circumstances that no longer apply.

1 由2015年5月13日起，本基金的投資目標、政策及限制已作出更改。2015年5月13日之前的表現是在現時不再適用的情況下達致。

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
■	6.4	5.4	2.9	-5.4	0.8	-2.8	3.1	2.9	0.3	8.7

1

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views "(san) - USD class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Fund launch date: 1979
- Class launch date: 1979
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（每半年派息）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：1979
- 單位類別成立日期：1979

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

摩根 資產管理

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	3.0% of NAV 資產淨值之3.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV)現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	0.8% of NAV p.a. (maximum 2.5%) 每年資產淨值之0.8%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.018% of NAV p.a. (maximum 0.2%) 每年資產淨值之0.018%（最高可達0.2%）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。
- 最近12個月的分派成分（即從(i)可分派收入淨額及(ii)資本所派發的相對金額），可向經理人索取及於以下網頁查閱：am.jpmorgan.com/hk[1]。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_AAQ913/DP/v20/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Global Property Income Fund
摩根環球地產入息基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱 JF資產管理有限公司），香港（同集團委任）
Sub-Manager 助理經理人：	J.P. Morgan Investment Management Inc., USA (internal delegation) 美國（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	(div) - USD class （每季派息）美元類別 2.18%† (mth) - HKD class （每月派息）港元類別 2.18%† (mth) - USD class （每月派息）美元類別 2.18%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The classes offered in Hong Kong are in HK dollars and US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別分別以港元及美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(div) class - Quarterly distribution (discretionary)* (mth) class - Monthly distribution (discretionary)* Distributions may be paid out of capital which represents a return or withdrawal of part of the amount an investor originally invested or from any capital gains attributable to that original investment. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit. （每季派息）類別 — 每季分派（酌情決定）* （每月派息）類別 — 每月分派（酌情決定）* 分派可能從資本撥款，即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。基金作出任何分派均可能導致每單位資產淨值即時下跌。
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.

* Any distributions will be reinvested automatically in the subscription of further units of the corresponding Class of units of the Fund, or paid in cash provided certain conditions are met. Please refer to the section "DISTRIBUTION POLICY" in the Explanatory Memorandum of the Fund. The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval (if applicable) and one month's prior notice to the relevant unitholders.

經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

* 任何分派將自動再投資於認購基金相應單位類別的更多單位（或於符合若干特定情況下，以現金分派）。請參閱本基金的基金說明書內之「收益分派政策」一節。經理人可全權酌情決定修改收益分派政策，惟須獲得證監會事先批准（如適用），及須給予相關單位持有人一個月的事先通知。

Issued by JPMorgan Funds (Asia) Ltd. 由摩根基金（亞洲）有限公司刊發

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
The Fund is not authorized under or regulated by the SFC's Code on Real Estate Investment Trusts.
本基金是一個根據香港法律以單位信託形式組成的基金。
本基金並非由證監會之《房地產投資信託基金守則》認可或規管。

Objective and investment strategy 目標及投資策略

The investment objective of the Fund is to achieve a high level of current income and long-term capital appreciation primarily (i.e. at least 70% of its total net asset value) through investing in equity securities that are listed on any stock exchange and are principally engaged in or related to the property industry or which own significant property assets. The Fund does not invest in real estate directly. The Fund may invest 30% or more of its total net asset value in real estate investment trusts ("REITs").

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any one country or region or any limitation on the market capitalisation of the companies in which it may invest.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes and may under limited circumstances (e.g. for cash management purpose) as considered appropriate by the Manager and the Investment Manager, hold temporarily up to 100% of its total net asset value in cash and cash based instruments.

The Fund does not have any particular focus on the currency denomination of its underlying assets. Non-USD currency exposure may be hedged.

基金之投資目標為主要（即將其總資產淨值至少70%）透過投資於在任何證券交易所上市，並且主要從事房地產行業或與該行業相關之業務，或擁有大量物業資產之股票證券，而致力達致可觀之現有收入及長遠資本增值。基金並不直接投資於房地產。基金可將其總資產淨值30%或以上投資於房地產投資信託基金（「REIT」）。

基金在任何國家或地區可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。

基金亦可為投資目的而投資於衍生工具，例如遠期合約、期權、認股權證及期貨，並在經理人及投資經理人認為合適之有限情況下（例如以現金管理為目的），將其總資產淨值最多100%暫時持有現金及以現金為本的工具。

基金的相關資產並無側重特定計價貨幣。非美元貨幣風險可能會被對沖。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

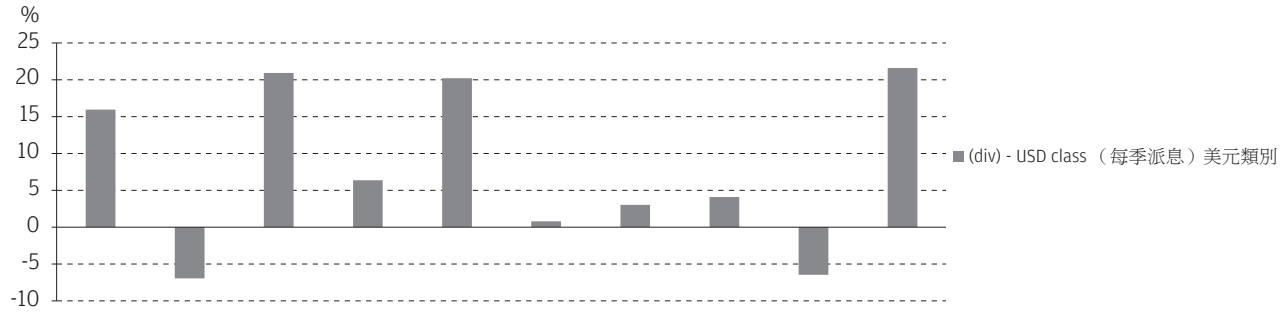
What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** - The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** - The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Real estate securities risk** - The Fund's investments in real estate securities are subject to the same risks as direct investments in real estate. Real estate values rise and fall in response to many factors, including local, regional and national economic conditions, the demand for rental property, and interest rates.
- **REITs risk** - The Fund may invest in REITs which invest primarily in real estate and this may involve a higher level of risk as compared to a diversified fund and other securities, and the Fund may be adversely impacted. The underlying REITs in which the Fund may invest may not necessarily be authorized by the SFC and their distribution or payout policies are not representative of the distribution policy of the Fund.
- **Real estate sector concentration risk** - The Fund may concentrate its investments in the real estate sector. Companies in the real estate sector include REITs and other companies engaged in the ownership, construction, financing, management or sale of commercial, industrial or residential real estate or companies that invest in such real estate. This concentration increases the risk of loss to the Fund by increasing its exposure to economic, business, political or regulatory developments that may be adverse to the real estate sector of the economy. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund.
- **Currency risk** - The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.

- **Risks related to the Eurozone sovereign debt crisis** – The Fund may invest substantially in the Eurozone. In light of the ongoing fiscal conditions and concerns on the sovereign debt risk of certain countries within the Eurozone (in particular, Portugal, Ireland, Italy, Greece and Spain), the Fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. The performance of the Fund may deteriorate significantly should there be any adverse credit events (e.g. downgrade of the sovereign credit rating, obligation default, etc) of any Eurozone country or exit of members from the Eurozone.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **Class currency risk** – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not US dollars) and chooses to invest in the USD Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and US dollars upon the reconversion of its US dollars investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in US dollars.
- **Payment of distributions out of capital risk** – Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realized and unrealized capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment. As a result, the capital that the Fund has available for investment in the future and capital growth may be reduced. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value of units. Also, a high distribution yield does not imply a positive or high return on the total investment.
- **投資風險** — 本基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於本基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** — 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **房地產證券之風險** — 本基金於房地產證券之投資須承受與直接投資於房地產相同之風險。因應很多因素，包括本地、地區及國家經濟狀況、租賃物業之需求及利率，房地產價值可升亦可跌。
- **房地產投資信託基金（「REIT」）之風險** — 本基金可投資於主要投資於房地產之REIT，據此可能涉及之風險較投資於多元化基金及其他證券之風險程度更高，本基金可能需承受不利影響。基金可投資相關的REIT不一定獲證監會認可及相關REIT的分派或派付政策並不代表基金的分派政策。
- **房地產業集中風險** — 本基金可能集中投資於房地產業。房地產業內的公司包括REIT及其他從事擁有、興建、融資、管理或銷售商業、工業或住宅房地產之公司或投資於該等房地產之公司。集中投資須承受對經濟體內之房地產業不利之經濟、商業、政治或監管上的發展之風險，因而增加本基金之虧損風險。投資者應注意本基金相比更廣泛分散投資的基金較為波動。
- **貨幣風險** — 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **歐元區主權債務危機風險** — 本基金可能大量投資在歐元區。鑑於某些歐元區內若干國家（尤其是葡萄牙、愛爾蘭、意大利、希臘和西班牙）持續的財政狀況及對主權債務風險的憂慮，本基金於該地區的投資可能承受較高的波動、流通性、貨幣及違約風險。當任何歐元區國家發生任何不利信貸事件（例如主權信貸評級調低、債務違約等）或成員國退出歐元區，本基金的表現可能會顯著惡化。
- **衍生工具風險** — 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。
- **類別貨幣風險** — 各類別之類別貨幣可能不同於基金之基本貨幣及其所投資的資產之貨幣及／或投資者之投資的基本貨幣。倘若投資者將其投資之基本貨幣轉換為類別貨幣以投資於一特定類別，及於其後將贖回所得由該類別貨幣轉換至其原有之投資基本貨幣，投資者可能因該類別貨幣對該原有貨幣貶值而蒙受損失。舉例而言，倘投資者之投資基本貨幣為港元（即非美元）而選擇投資於美元類別，則該投資者可能承受較高的貨幣風險。與以美元為原有之投資基本貨幣的投資者相比，該投資者可能因在將其美元投資再轉換回港元時，港元與美元之匯率波動而蒙受較高損失。
- **從資本撥款作出分派之風險** — 當基金所產生之收入並不足夠支付基金宣佈之分派時，經理人可酌情決定該等分派可能由資本（包括實現與未實現資本收益）撥款支付。投資者應注意，從資本撥款支付分派即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。因此，基金未來可用作投資的資本及資本增值或會減少。基金作出任何分派均可能導致每單位資產淨值即時下跌。此外，高分派收益並不代表總投資的正或高回報。

How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	16.0	-6.9	20.9	6.4	20.2	0.8	3.0	4.1	-6.5	21.6

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views "(div) - USD class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Fund launch date: 2005
- Class launch date: 2005
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（每季派息）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：2005
- 單位類別成立日期：2005

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.5% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.5%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。
- 最近12個月的分派成分（即從(i)可分派收入淨額及(ii)資本所派發的相對金額），可向經理人索取及於以下網頁查閱：am.jpmorgan.com/hk[1]。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_AMB686/DP/v20/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan India Fund
摩根印度基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JF India Management Ltd.
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱 JF資產管理有限公司），香港（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Mauritius) Ltd.
Ongoing charges over a year 全年經常性開支比率：	(acc) - USD class （累計）美元類別 1.63%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The class offered in Hong Kong is in US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別以美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class) （累計）類別 — 累計（收益將保留並撥作投資相應類別）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.
經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Mauritius.
本基金是一個根據毛里求斯法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment policy of the Fund is to provide long-term capital growth through a portfolio consisting primarily (i.e. at least 70% of its total net asset value) of equity securities linked to the Indian economy. These include, but are not restricted to, securities traded on the stock exchanges of India and the rest of the Indian sub-continent including Pakistan, Bangladesh and Sri Lanka.
The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.
The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.
基金之投資政策為透過一個主要（即將其總資產淨值至少70%）投資於與印度經濟有關的股票證券之投資組合，為投資者提供長遠資本增值。此等股票證券包括，但不限於在印度證券交易所及印度次大陸其他股市（包括巴基斯坦、孟加拉及斯里蘭卡）買賣之證券。
基金在任何行業可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。
基金亦可為投資目的而投資於衍生工具，例如遠期合約、期權、認股權證及期貨。

Issued by JPMorgan Funds (Asia) Ltd. 由摩根基金（亞洲）有限公司刊發

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Emerging markets risk** – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Accounting, auditing and financial reporting standards in emerging markets may be less rigorous than international standards. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Fund's investments.
- **Concentration risk** – The Fund may concentrate its investments in India and a limited number of securities. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area and issuers in which they invest.
- **Smaller companies risk** – The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Regulatory risk** – The Fund is a Foreign Institutional Investor ("Indian FII") registered with the Securities and Exchange Board of India ("SEBI"). Any change to the Foreign Exchange Management (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2000 and the SEBI (Foreign Institutional Investors) Regulations, 1995 may limit or adversely impact the ability of the Fund to invest in India.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes.
- **Risk associated with high volatility of the equity markets in India and the Indian sub-continent** – High market volatility and potential settlement difficulties in the markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Fund.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **投資風險** — 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** — 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
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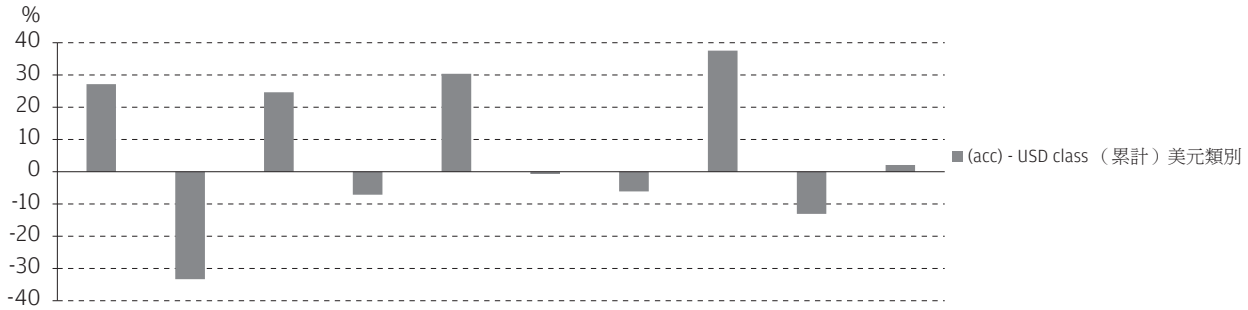
How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	27.2	-33.3	24.6	-7.1	30.3	-0.7	-6.1	37.5	-13.1	2.1

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views "(acc) - USD class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Fund launch date: 1989
- Class launch date: 1989
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（累計）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：1989
- 單位類別成立日期：1989

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

摩根 資產管理

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.5% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.5%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_AAZ464/DP/v15/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan India Smaller Companies Fund
摩根印度小型企業基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Mauritius) Ltd.
Ongoing charges over a year 全年經常性開支比率：	(acc) - USD class （累計）美元類別 1.78%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The class offered in Hong Kong is in US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別以美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class) （累計）類別 — 累計（收益將保留並撥作投資相應類別）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.
經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Mauritius.
本基金是一個根據毛里求斯法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment objective of the Fund is to provide investors with long-term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in equity securities of small to medium-sized companies in India. Small to medium-sized companies are defined as companies with market capitalisation that are equal to the bottom quartile of shares listed on the Indian stock exchanges.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

基金的投資目標為透過主要（即將其總資產淨值至少70%）投資於印度中小型企業之股票證券，為投資者提供長遠資本增長。中小型企業指其市值相等於在印度證券交易所上市的股份中市值排名位於最低四分位數的股份之市值的企業。

基金在任何行業可投資的總資產淨值的比例不受任何限制。

基金亦可為投資目的而投資於衍生工具，例如遠期合約、期權、認股權證及期貨。

Issued by JPMorgan Funds (Asia) Ltd. 由摩根基金（亞洲）有限公司刊發

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Emerging markets risk** – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Accounting, auditing and financial reporting standards in emerging markets may be less rigorous than international standards. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Fund's investments.
- **Concentration risk** – The Fund may concentrate its investments in India and a limited number of securities. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area and issuers in which they invest.
- **Smaller companies risk** – The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Regulatory risk** – The Fund is a Foreign Institutional Investor ("Indian FII") registered with the Securities and Exchange Board of India ("SEBI"). Any change to the Foreign Exchange Management (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2000 and the SEBI (Foreign Institutional Investors) Regulations, 1995 may limit or adversely impact the ability of the Fund to invest in India.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes.
- **Risk associated with high volatility of the equity markets in India** – High market volatility and potential settlement difficulties in the markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Fund.
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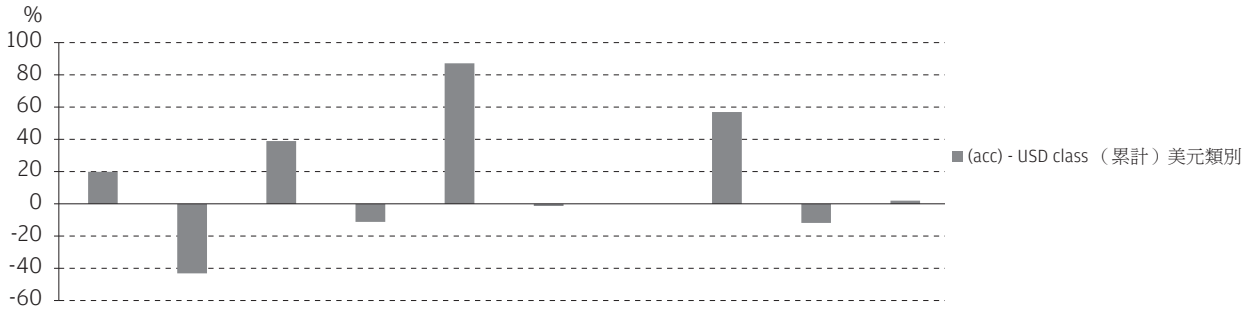

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	19.9	-43.1	38.9	-11.2	87.2	-1.3	0.0	56.9	-11.8	2.0

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views "(acc) - USD class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Fund launch date: 2006
- Class launch date: 2006
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（累計）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：2006
- 單位類別成立日期：2006

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.5% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.5%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

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KFS_ANQ969/DP/v16/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Indonesia Fund
摩根印尼基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Sub-Manager 助理經理人：	JPMorgan Asset Management (Singapore) Ltd., Singapore (internal delegation) 新加坡（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	(acc) - USD class （累計）美元類別 1.75%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The class offered in Hong Kong is in US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別以美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class) （累計）類別 — 累計（收益將保留並撥作投資相應類別）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.
經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment objective of the Fund is to provide investors with long-term capital appreciation through a portfolio consisting primarily (i.e. at least 70% of its total net asset value) of equity securities linked to the Indonesian economy. These include, but are not restricted to, securities traded on the stock exchanges of Indonesia.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund may also invest in derivatives such as interest rate forward contracts, currency forward contracts, options, warrants and futures for both investment and hedging purposes.

Issued by JPMorgan Funds (Asia) Ltd. 由摩根基金（亞洲）有限公司刊發

基金之投資目標為透過一個主要（即將其總資產淨值至少70%）投資於與印尼經濟有關的股票證券之投資組合，為投資者提供長遠資本升值。此等股票證券包括，但不限於在印尼證券交易所買賣之證券。
基金在任何行業可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。
基金亦可為投資及對沖目的而投資於衍生工具，例如利率遠期合約、貨幣遠期合約、期權、認股權證及期貨。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

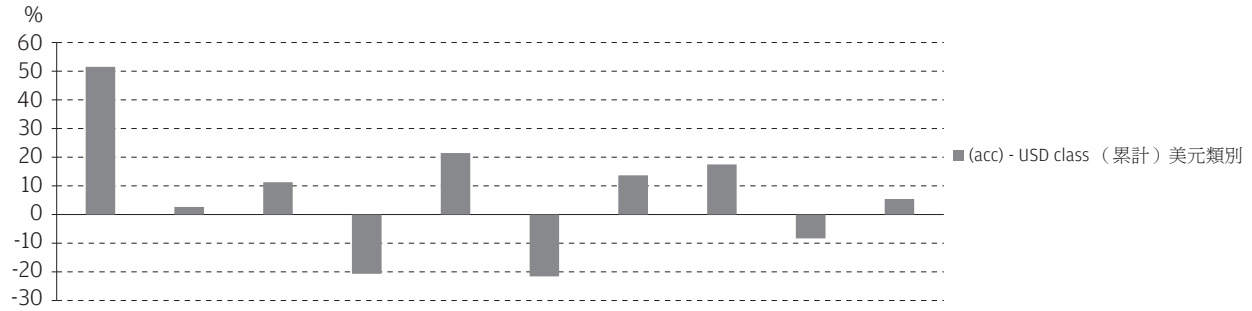
What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** - The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** - The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Emerging markets risk** - The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Accounting, auditing and financial reporting standards in emerging markets may be less rigorous than international standards. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Fund's investments.
- **Concentration risk** - The Fund may concentrate its investments in Indonesia. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area.
- **Smaller companies risk** - The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Currency risk** - The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Liquidity risk** - The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes.
- **Risk associated with high volatility of the equity markets in Indonesia** - High market volatility and potential settlement difficulties in the markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Fund.
- **Derivatives risk** - Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **投資風險** — 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** — 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **新興市場風險** — 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。新興市場的會計、審計及財務申報標準可能不如國際標準嚴格。國有化、徵用私產或充公性稅項、外匯管制、政治變動、政府規例、社會不穩定或外交發展均有可能對新興市場經濟或本基金之投資價值構成不利影響。

- **集中風險** – 本基金可能集中投資於印尼。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **小型公司風險** – 由於中小型公司的流通性較低、較容易受經濟狀況轉變影響，以及未來增長前景亦較為不確定，所以股價可能會較大型公司更為波動。
- **貨幣風險** – 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **流通性風險** – 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。
- **與印尼股市的較高波幅相關的風險** – 該等市場的較高市場波幅及潛在結算困難亦可能導致在該等市場交易的證券之價格出現大幅波動，因此可能對基金的價值造成不利影響。
- **衍生工具風險** – 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。

How has the fund performed? 本基金過往的業績表現如何？



2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
51.5	2.7	11.3	-20.7	21.4	-21.6	13.7	17.5	-8.3	5.4

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- Fund launch date: 2006
- Class launch date: 2006
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- 經理人視「（累計）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：2006
- 單位類別成立日期：2006

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摩根 資產管理

What are the fees and charges? 投資本基金涉及哪些費用及收費？

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Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
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KFS_ANT275/DP/v15/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Japan (Yen) Fund
摩根日本（日圓）基金

April 2020 ● 2020年4月

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- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Sub-Managers 助理經理人：	JPMorgan Asset Management (Japan) Ltd., Japan (internal delegation) 日本（同集團委任） JPMorgan Asset Management (UK) Ltd.^, UK (internal delegation) 英國（同集團委任） ^ JPMorgan Asset Management (UK) Ltd. is only responsible for the currency management of the Currency Hedged Classes set out in the sub-section "Ongoing charges over a year". ^ JPMorgan Asset Management (UK) Ltd.只負責「全年經常性開支比率」分節所載貨幣對沖類別的貨幣管理。
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	(acc) - HKD (hedged) class （累計）港元對沖類別 1.69%† (acc) - JPY class （累計）日圓類別 1.69%† (acc) - RMB (hedged) class （累計）人民幣對沖類別 1.69%† (acc) - USD (hedged) class （累計）美元對沖類別 1.69%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	YEN (The classes offered in Hong Kong are in Hong Kong dollars, Japanese yen, Renminbi and US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 日圓（在香港銷售之類別分別以港元、日圓、人民幣及美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class) （累計）類別 – 累計（收益將保留並撥作投資相應類別）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): For RMB denominated Class(es): RMB16,000 or its equivalent in another currency For other Classes: USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）： 就以人民幣計價的類別而言：人民幣16,000元或其他貨幣之等值 就其他類別而言：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.
經理人可設定不同的最低整筆投資額及/或不同的最低每月投資額。

Issued by JPMorgan Funds (Asia) Ltd. 由摩根基金（亞洲）有限公司刊發

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment policy of the Fund is to provide long-term capital growth through investment primarily (i.e. at least 70% of its total net asset value) in Japanese equity securities and other equity securities whose performance is linked to that of the Japanese economy.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund may also invest in derivatives such as options, warrants and futures for investment purposes.

The Fund will have limited Renminbi (RMB) denominated underlying investments.

基金之投資政策為透過主要（即將其總資產淨值至少70%）投資於日本股票證券及其投資表現與日本經濟表現息息相關之其他股票證券，為投資者提供長遠資本增值。

基金在任何行業可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。

基金亦可為投資目的而投資於衍生工具，例如期權、認股權證及期貨。

基金將有限度地投資於人民幣計價相關投資項目。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Concentration risk** – The Fund may concentrate its investments in Japan. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area.
- **Smaller companies risk** – The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **Class currency risk** – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Japanese yen (i.e. not HK dollars) and chooses to invest in the HKD Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Japanese yen and HK dollars upon the reconversion of its HK dollars investment back to Japanese yen as compared to an investor whose base currency of investment is originally in HK dollars.
- **RMB currency risk** – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the People's Republic of China. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including US dollars and HK dollars, are susceptible to movements based on external factors. Accordingly, the investment in

Classes denominated in RMB may be adversely affected by the fluctuations in the exchange rate between RMB and other foreign currencies. RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government.

Class(es) denominated in RMB will generally be valued with reference to RMB (CNH) rather than RMB (CNY). While RMB (CNH) and RMB (CNY) represent the same currency, they are traded in different and separate markets which operate independently. As such RMB (CNH) does not necessarily have the same exchange rate and may not move in the same direction as RMB (CNY). Any divergence between RMB (CNH) and RMB (CNY) may adversely impact investors. Class(es) denominated in RMB participate in the offshore RMB (CNH) market, which allow investors to freely transact CNH outside of mainland China. Class(es) denominated in RMB will have no requirement to remit CNH to onshore RMB (CNY). Non-RMB based investors (e.g. Hong Kong investors) in Class(es) denominated in RMB may have to convert HK dollars or other currencies into RMB when investing in Class(es) denominated in RMB and subsequently convert the RMB redemption proceeds and/or distributions (if any) back to HK dollars or such other currencies. Investors will incur currency conversion costs and may suffer losses depending on the exchange rate movements of RMB relative to HK dollars or such other currencies. Also, there can be no assurance that RMB will not be subject to devaluation and any depreciation of RMB could adversely affect the value of the investor's investment in the Fund.

Even if the Fund aims at paying redemption monies and/or distributions of RMB denominated Class(es) in RMB, the Manager may, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, pay redemption monies and/or distributions in US dollars. There is also a risk that payment of redemption monies and/or distributions in RMB may be delayed when there is not sufficient amount of RMB for currency conversion for settlement of the redemption monies and distributions in a timely manner due to the exchange controls and restrictions applicable to RMB. In any event, the redemption proceeds will be paid not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.

- **Currency Hedged Classes risk** – Each Currency Hedged Class may hedge the Fund's denominated currency back to its currency of denomination, with an aim to provide a return on investment which correlates with the return of the Class of unit which is denominated in the base currency of the Fund. The costs and resultant profit or loss on the hedging transactions will be reflected in the net asset value per unit for the units of the relevant Currency Hedged Classes. The costs relating to such hedging transactions which may be significant depending on prevailing market conditions shall be borne by that Currency Hedged Class only.

  The precise hedging strategy applied to a particular Currency Hedged Class may vary. In addition, there is no guarantee that the desired hedging instruments will be available or hedging strategy will achieve its desired result. In such circumstances, investors of the Currency Hedged Class may still be subject to the currency exchange risk on an unhedged basis (which means that, for example, if the hedging strategy in respect of the RMB Hedged Class is ineffective, depending on the exchange rate movements of RMB relative to the base currency of the Fund, and/or other currency(ies) of the non-RMB denominated underlying investment of the Fund, (i) investors may still suffer losses even if there are gains or no losses in the value of the non-RMB denominated underlying investments; or (ii) investors may suffer additional losses if the non-RMB denominated underlying investments of the Fund fall in value). If the counterparties of the instruments used for hedging purposes default, investors of the Currency Hedged Classes may be exposed to the currency exchange risk on an unhedged basis and may therefore suffer further losses.

  While the hedging strategy may protect investors of the Currency Hedged Classes against a decrease in the value of the Fund's base currency relative to the denominated currency of that Currency Hedged Class, the hedging strategy may substantially limit the benefits of any potential increase in the value of a Currency Hedged Class expressed in the Class currency, if the Currency Hedged Class'denominating currency falls against the base currency of the Fund.

- **投資風險** — 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** — 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **集中風險** — 本基金可能集中投資於日本。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **小型公司風險** — 由於中小型公司的流通性較低、較容易受經濟狀況轉變影響，以及未來增長前景亦較為不確定，所以股價可能會較大型公司更為波動。
- **貨幣風險** — 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **衍生工具風險** — 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。
- **類別貨幣風險** — 各類別之類別貨幣可能不同於該等基金之基本貨幣及其所投資的資產之貨幣及/或投資者之投資的基本貨幣。倘若投資者將其投資之基本貨幣轉換為類別貨幣以投資於一特定類別，及於其後將贖回所得由該類別貨幣轉換至其原有之投資基本貨幣，投資者可能因該類別貨幣對該原有貨幣貶值而蒙受損失。舉例而言，倘投資者之投資基本貨幣為日圓（即非港元）而選擇投資於港元類別，則該投資者可能承受較高的貨幣風險。與以港元為原有之投資基本貨幣的投資者相比，該投資者可能因在將其港元投資再轉換回日圓時，日圓與港元之匯率波動而蒙受較高損失。

- **人民幣貨幣風險** – 人民幣匯率為一個受管理的浮動匯率，匯率基於市場供求及參考一籃子外國貨幣而釐定。人民幣匯率亦受制於外匯管制政策。於銀行間外匯市場中人民幣兌其他主要貨幣可按中華人民共和國之有關主管機構發佈的中央平價窄幅上落。由於匯率受政府政策及市場力量影響，人民幣兌包括美元及港元在內的其他貨幣的匯率將容易因外圍因素而變動。因此，投資於以人民幣計價的類別可能會因人民幣與其他外幣之間的匯率波動而受到不利的影響。人民幣現時不可自由兌換。將境外人民幣(CNH)兌換為境內人民幣(CNY)是一項貨幣管理程序，須遵守由中國政府實施的外匯管制政策及限制。

  人民幣類別一般參考境外人民幣(CNH)而非境內人民幣(CNY)計價。境外人民幣(CNH)及境內人民幣(CNY)雖屬相同貨幣，但有關貨幣在獨立運作的不同和個別市場上買賣。因此，境外人民幣(CNH)與境內人民幣(CNY)的匯率未必相同，匯率走勢亦可能不一樣。境外人民幣(CNH)與境內人民幣(CNY)間出現任何差異，可能對投資者造成不利影響。以人民幣計價的類別參與境外人民幣(CNH)市場，可在中國大陸境外自由交易境外人民幣(CNH)。以人民幣計價的類別毋須將境外人民幣(CNH)匯成境內人民幣(CNY)。並非以人民幣為基本貨幣的投資者（如香港投資者），在投資以人民幣計價的類別時可能須將港元或其他貨幣兌換為人民幣，其後亦須將人民幣贖回所得款項及／或人民幣分派（如有）兌換為港元或該等其他貨幣。投資者將招致匯兌成本，並可能蒙受損失，視乎人民幣相對於港元或該等其他貨幣的匯率走勢而定。此外，不能保證人民幣不會貶值，而人民幣貶值可對投資者於基金的投資價值產生不利影響。

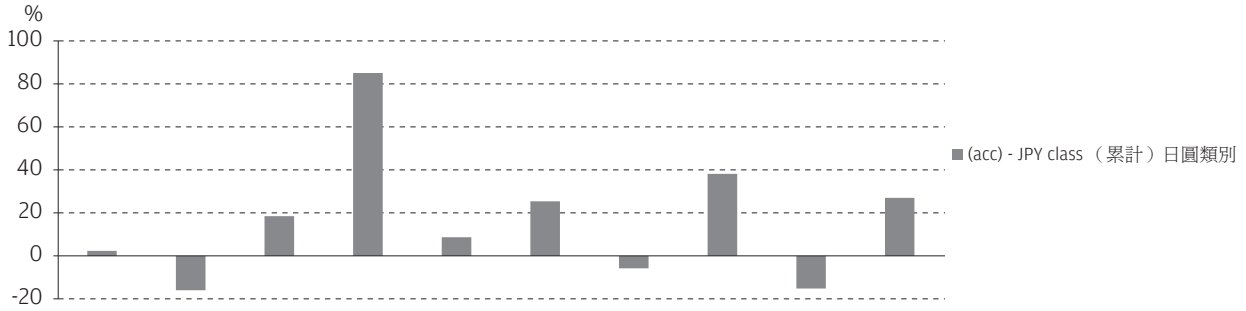
  即使基金打算以人民幣支付贖回款項及／或以人民幣計價的類別的分派，惟在極端市況下市場未能提供足夠人民幣作貨幣兌換時及獲信託管理人批准後，經理人可以美元支付贖回款項及／或分派。如因人民幣適用的外匯管制政策及限制而未能及時具備足夠的人民幣供結算贖回款項及／或分派，亦存在以人民幣支付的贖回款項及／或分派或會被延誤的風險。無論如何，贖回所得款項將於單位被贖回及經理人已接獲以指定格式正式填妥之贖回要求及信託管理人或經理人可能合理要求之其他資料之有關交易日後一個曆月內支付。

- **貨幣對沖類別風險** – 各貨幣對沖類別可將基金之計價貨幣對沖回其計價貨幣，旨在提供與以基金之基本貨幣計價的類別相關的投資回報。對沖交易的成本及所得盈虧將會反映於有關貨幣對沖類別單位之每單位資產淨值內。有關該等對沖交易的任何成本視乎當前市況而定可屬重大，將只由該貨幣對沖類別承擔。

  應用於某特定貨幣對沖類別之確切對沖策略或會不同。此外，概不保證能夠獲得預期的對沖工具或對沖策略將會達到預期效果。在該等情況下，貨幣對沖類別之投資者可能仍需承受未對沖之貨幣兌換風險（舉例而言，如人民幣對沖類別之對沖策略無效，視乎人民幣相對於基金的基本貨幣，及／或該基金的非人民幣計價相關資產的其他貨幣的匯率走勢而定：(i)即使非人民幣計價的相關資產的價值上有收益或並無虧損，投資者仍可能蒙受損失；或(ii)如基金的非人民幣計價相關資產的價值下跌，投資者可能蒙受額外損失）。倘若用作對沖目的之工具之交易對象違約，貨幣對沖類別的投資者可能承受未對沖的貨幣兌換風險及可能因此承受進一步損失。

  儘管對沖策略可能保護貨幣對沖類別的投資者免受基金的基本貨幣相對於貨幣對沖類別之計價貨幣之價值下跌所影響，惟倘若貨幣對沖類別之計價貨幣對基金之基本貨幣下跌，則該對沖策略可能大幅限制以類別貨幣列值的貨幣對沖類別之任何潛在升值的利益。

How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	2.3	-16.0	18.5	85.1	8.6	25.3	-5.8	38.2	-15.2	27.0

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in YEN including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views "(acc) - JPY class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- The Fund was the receiving fund in a fund merger which was completed on 14 June 2019.
- Fund launch date: 1969
- Class launch date: 1969
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以日圓計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。

- 經理人視「（累計）日圓類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金為2019年6月14日完成的一項基金合併中的接收基金。
- 本基金成立日期：1969
- 單位類別成立日期：1969

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.5% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.5%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- Investors may obtain the past performance information of other classes offered to Hong Kong investors from am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。
- 投資者可於am.jpmorgan.com/hk[1]取得其他向香港投資者銷售的單位類別之過往業績資料。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
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KFS_AAQ959/DP/v17/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Korea Fund
摩根南韓基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	(acc) - USD class （累計）美元類別 1.70%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The class offered in Hong Kong is in US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別以美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class) （累計）類別 — 累計（收益將保留並撥作投資相應類別）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.
經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment policy of the Fund is to provide investors with long-term capital appreciation through investment primarily (i.e. at least 70% of its total net asset value) in companies whose shares are listed on the Korea Stock Exchange or traded on the Korean over-the-counter market.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

基金之投資政策為透過主要（即將其總資產淨值至少70%）投資於在南韓證券交易所上市或在南韓場外市場買賣之公司股票，為投資者提供長遠資本增值。

基金在任何行業可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。

基金亦可為投資目的而投資於衍生工具，例如遠期合約、期權、認股權證及期貨。

Issued by JPMorgan Funds (Asia) Ltd. 由摩根基金（亞洲）有限公司刊發

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

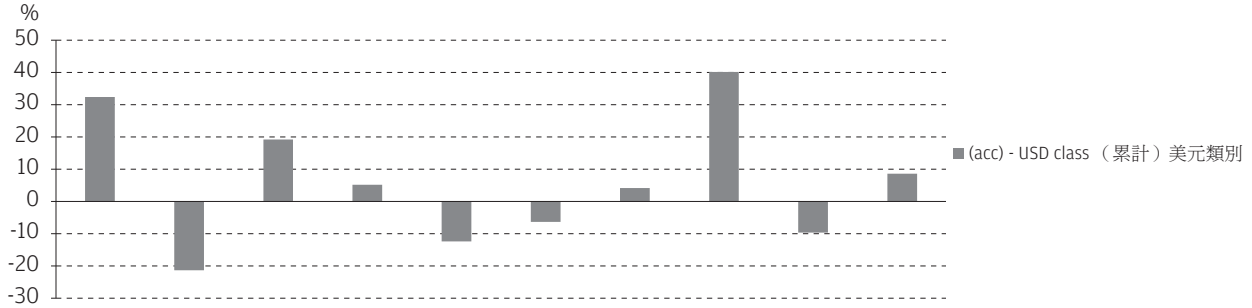
What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** - The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** - The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Technology related companies risk** - The Fund may invest in technology related companies, which may fluctuate in value more than other funds because of the greater potential volatility of share prices of technology related companies.
- **Concentration risk** - The Fund may concentrate its investments in Korea. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area.
- **Smaller companies risk** - The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Currency risk** - The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Liquidity risk** - The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes.
- **Risk associated with high volatility of the equity markets in Korea** - High market volatility and potential settlement difficulties in the markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Fund.
- **Derivatives risk** - Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **投資風險** — 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** — 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **科技相關公司風險** — 本基金可能投資於科技相關公司，其價值可能較其他基金更為波動，因為科技相關公司股價的潛在波幅較大。
- **集中風險** — 本基金可能集中投資於南韓。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **小型公司風險** — 由於中小型公司的流通性較低、較容易受經濟狀況轉變影響，以及未來增長前景亦較為不確定，所以股價可能會較大型公司更為波動。
- **貨幣風險** — 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **流通性風險** — 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。

- **與南韓股市的較高波幅相關的風險** – 該等市場的較高市場波幅及潛在結算困難亦可能導致在該等市場交易的證券之價格出現大幅波動，因此可能對基金的價值造成不利影響。
- **衍生工具風險** – 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。

How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	32.4	-21.4	19.2	5.2	-12.4	-6.3	4.2	40.1	-9.7	8.6

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views "(acc) - USD class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Fund launch date: 1991
- Class launch date: 1991
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（累計）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：1991
- 單位類別成立日期：1991

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

摩根 資產管理

- **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

  The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
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Management fee 管理費：	1.5% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.5%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

- **Other fees 其他費用**

  The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
  本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。

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[1] 此網頁並未經證監會審閱。

Important 重要提示

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KFS_ABB169/DP/v15/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Malaysia Fund
摩根馬來西亞基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Sub-Manager 助理經理人：	JPMorgan Asset Management (Singapore) Ltd., Singapore (internal delegation) 新加坡（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	(acc) - USD class （累計）美元類別 1.67%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The class offered in Hong Kong is in US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別以美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class) （累計）類別 – 累計（收益將保留並撥作投資相應類別）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.
經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

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This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment policy of the Fund is to provide long-term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in equity securities linked to the Malaysian economy. There includes, but are not restricted to, securities listed on the Kuala Lumpur Stock Exchange.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

基金之投資政策為透過主要（即將其總資產淨值至少70%）投資於與馬來西亞經濟有關之股票證券，為投資者提供長遠資本增值。此等股票證券包括，但不限於在吉隆坡證券交易所上市之證券。
基金在任何行業可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。
基金亦可為投資目的而投資於衍生工具，例如遠期合約、期權、認股權證及期貨。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

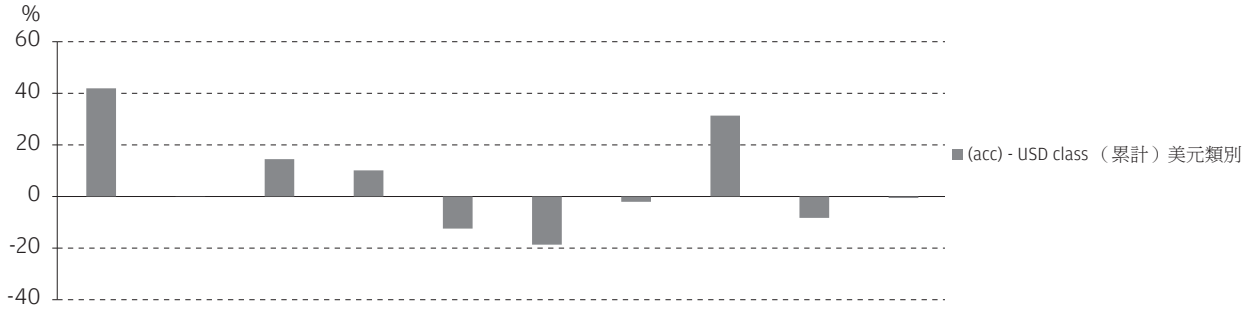
What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Emerging markets risk** – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Accounting, auditing and financial reporting standards in emerging markets may be less rigorous than international standards. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Fund's investments.
- **Concentration risk** – The Fund may concentrate its investments in Malaysia. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area.
- **Smaller companies risk** – The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes.
- **Risk associated with high volatility of the equity markets in Malaysia** – High market volatility and potential settlement difficulties in the markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Fund.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **投資風險** — 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** — 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **新興市場風險** — 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。新興市場的會計、審計及財務申報標準可能不如國際標準嚴格。國有化、徵用私產或充公性稅項、外匯管制、政治變動、政府 規例、社會不穩定或外交發展均有可能對新興市場經濟或本基金之投資價值構成不利影響。

- **集中風險** – 本基金可能集中投資於馬來西亞。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **小型公司風險** – 由於中小型公司的流通性較低、較容易受經濟狀況轉變影響，以及未來增長前景亦較為不確定，所以股價可能會較大型公司更為波動。
- **貨幣風險** – 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **流通性風險** – 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。
- **與馬來西亞股市的較高波幅相關的風險** – 該等市場的較高市場波幅及潛在結算困難亦可能導致在該等市場交易的證券之價格出現大幅波動，因此可能對基金的價值造成不利影響。
- **衍生工具風險** – 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。

How has the fund performed? 本基金過往的業績表現如何？



2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
41.9	0.1	14.5	10.2	-12.4	-18.6	-2.0	31.4	-8.3	-0.6

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views "(acc) - USD class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Fund launch date: 1989
- Class launch date: 1989
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（累計）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：1989
- 單位類別成立日期：1989

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

摩根 資產管理

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.5% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.5%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_AAQ960/DP/v15/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Money Fund - HK$
摩根貨幣基金－港元

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Trustee 信託管理人：	Bank of East Asia (Trustees) Ltd. 東亞銀行（信託）有限公司
Ongoing charges over a year 全年經常性開支比率：	JPMorgan Money Fund - HK$ 摩根貨幣基金－港元 0.36%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	HKD 港元
Dividend policy 派息政策：	Accumulative (income will be retained and reinvested within the Fund) 累計（收益將保留並撥作投資本基金）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.
經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

What is this product? 本基金是甚麼產品？

This is a money fund constituted in the form of a unit trust under the laws of Hong Kong. Investment in the Fund is not the same as placing funds on deposit with a bank or deposit-taking institution. The Manager has no obligation to redeem units at the issue price and the Fund is not subject to the supervision of the Hong Kong Monetary Authority.
本基金是一個根據香港法律以單位信託形式組成的貨幣基金。投資於基金並不等同將資金存放於銀行或接受存款機構。經理人並無責任按賣出價贖回單位及基金並不受香港金融管理局的監督。

Objective and investment strategy 目標及投資策略

The purpose of the Portfolio is to provide an efficient vehicle for holding liquid assets currently denominated in the currency of Hong Kong by investing in short-term deposits and high quality money market instruments. The Manager will aim to secure long-term capital growth.
In order to minimise such risks to capital, the Manager will invest funds solely in short-term deposits and high quality money market instruments with unexpired maturities of less than 397 days (or two years in the case of public sector investments). The weighted average maturity of the Portfolio's deposits and other investments will not exceed 60 days and the weighted average life of the Portfolio will not exceed 120 days. In selecting investments, the Manager will seek the highest interest rates available from deposits and short-term instruments of issuers considered by it to be of high standing.
The Portfolio may invest up to 15% of its total net asset value in asset-backed securities.
The Manager will normally avoid deposits and other investments denominated in currencies where withholding taxes would be applied. Deposits will be made only with financial institutions considered by the Manager to be of undoubted reputation and standing in the financial community.

Issued by JPMorgan Funds (Asia) Ltd. 由摩根基金（亞洲）有限公司刊發

The Portfolio will only invest in money market instruments and asset-backed securities which are rated investment grade by recognized rating agency such as Moody's, Standard and Poor's, Fitch at the time of purchase or, in the opinion of the Manager, are of comparable quality. Such money market instruments are defined as securities normally dealt in the money markets, for example, government bills, certificates of deposit, commercial papers, short-term notes and bankers' acceptances, etc. The Manager may also, with the approval of the Trustee, select other similar instruments.
組合的目的是透過投資於短期存款及優質金融市場票據提供有效的工具，持有目前以港元為貨幣單位的流動資產。經理人將旨在取得長遠資本增長。
為了盡量降低資金的風險，經理人將純粹投資資金於短期存款及未屆滿到期日少於397日（或就公營界別投資而言則為兩年）的優質金融市場票據。組合的存款及其他投資的加權平均到期日將不超過60日及組合的加權平均有效期將不超過120日。在挑選投資時，經理人將從其認為屬高評級的發行人尋求利率最高的存款及短期票據。
組合可將其總資產淨值最多15%投資於資產抵押證券。
經理人將通常避免預扣稅適用的貨幣的存款及其他投資。存款將只存放於經理人認為於金融界信譽昭著及地位穩健的金融機構。
組合將只投資於在買入時獲認可評級機構（例如穆迪、標準普爾、惠譽）給予投資級別評級，或經理人認為具同等質素的金融市場票據及資產抵押證券。該等金融市場票據指通常在貨幣市場上交易的證券，例如政府票據、存款證、商業票據、短期票據及銀行承兌匯票等。經理人在信託管理人批准的情況下，亦可挑選其他類似票據。

Use of derivatives 衍生工具的使用

The Fund will not use derivatives for any purposes.
本基金不會使用衍生工具作任何用途。

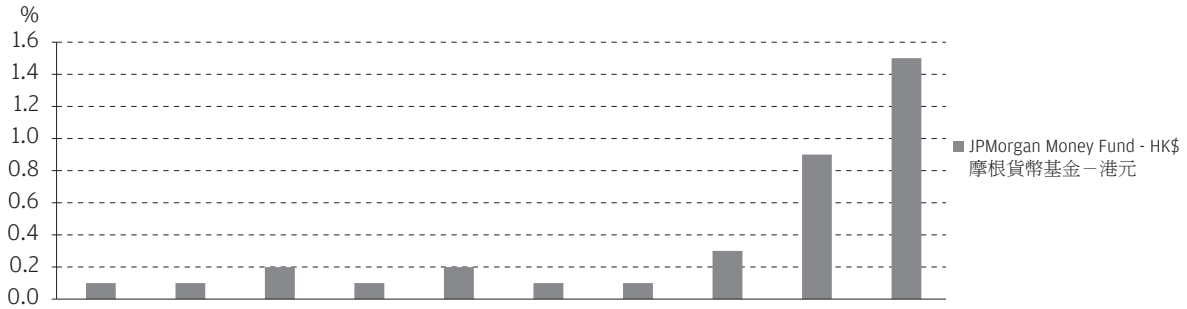
What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Risks associated with debt securities** – the Fund's investments in debt securities are subject to the following risks:
  - **Credit risk** – If the issuer of any of the securities in which the Fund's assets are invested defaults, the performance of the Fund will be adversely affected and the Fund could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the Fund. Decline in credit quality of the issuer may adversely affect the valuation of the relevant bonds and the Fund. The credit ratings assigned by credit rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.
  - **Interest rate risk** – Interest rates in the countries in which the Fund's assets will be invested may be subject to fluctuations. Any such fluctuations may have a direct effect on the income received by the Fund and its capital value. Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. The prices of bonds generally increase when interest rates decline and decrease when interest rates rise. Longer term bonds are usually more sensitive to interest rate changes. The performance of the Fund may therefore be adversely affected.
  - **Investment grade debt securities risk** – Investment grade debt securities are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of the debt securities. Rating agencies review such assigned ratings and debt securities may therefore be subject to the downgrading risk if economic circumstances (e.g. subject to market or other conditions) impact the relevant debt securities. Also, the Fund may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.
  - **Sovereign debt risk** – The Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Fund to participate in restructuring such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers.
  - **Valuation risk** – Valuation of the Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different to the Fund's currency of denomination may be exposed to additional currency risk.

- **投資風險** – 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **與債務證券相關的風險** – 基金於債務證券之投資須承受以下風險：
  - **信貸風險** – 倘若本基金之資產所投資之任何證券之發行人違約，本基金之表現將會受負面影響及本基金可能承受重大損失。定息證券不履行支付利息或本金之責任或會對本基金之表現造成不利影響。發行人的信貸質素降低，或會對有關債券及本基金之估值造成不利影響。信貸評級機構給予的信貸評級存在局限，並不保證證券及／或發行人在所有時候的信用可靠性。
  - **利率風險** – 本基金之資產所投資之一些國家之利率可能會有所波動。任何該等波動可能會對本基金所收到之收益及其資本價值有直接影響。債券特別容易受到利率變動所影響，並且可能承受顯著的價格波動。債券的價格一般會隨利率下降而上升；隨利率上升而下跌。較長期債券通常對利率變動較為敏感。基金之表現可能因而會受不利影響。
  - **投資級別債務證券風險** – 投資級別債務證券獲信貸評級機構（包括但不限於惠譽、穆迪及／或標準普爾）於信用可靠性或債務證券的違約風險的基礎上給予屬於高評級界別的評級。評級機構覆核該等評級。倘若經濟環境（例如市場或其他情況）影響有關債務證券，該等債務證券可能因而承受評級下調風險。此外，基金可能面對較高不獲履行支付利息及償還本金之責任的風險。因此，投資者收回的金額可能低於原本的投資額。
  - **主權債務風險** – 基金投資於由政府發行或擔保的證券，可能承受政治、社會及經濟風險。在不利情況下，主權發行人未必能夠或願意在到期應付時償還本金及／或利息，或會要求基金參與該等債務的重組。主權債務發行人違約時，基金可能蒙受重大損失。
  - **估值風險** – 基金的投資估值或會涉及不明朗因素及判定性的決定。倘若該等估值不正確，此可能影響基金的資產淨值計算。
- **貨幣風險** – 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。投資者的基本貨幣與本基金之結算貨幣有所不同，可能會承受額外之貨幣風險。

How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	0.1	0.1	0.2	0.1	0.2	0.1	0.1	0.3	0.9	1.5

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in HKD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Fund launch date: 1983
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以港元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 本基金成立日期：1983

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

摩根 資產管理

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	Currently 0% (up to 5.0% of NAV) 現時為0%（最高可達資產淨值的5.0%）
Switching fee 轉換費：	Up to the initial charge into which the Fund will switch 最高可達將轉入之基金之認購費
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	0.25% of NAV p.a. (maximum 2.0%) 每年資產淨值之0.25%（最高可達2.0%）
Trustee fee 信託管理人費用：	0.018% of NAV p.a. (maximum 0.1%) 每年資產淨值之0.018%（最高可達0.1%）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value and the yield of this Fund are calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值及年息率。詳情請瀏覽am.jpmorgan.com/hk[1]。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_ABD875/DP/v15/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Multi Balanced Fund
摩根全方位均衡基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Sub-Managers 助理經理人：	J.P. Morgan Investment Management Inc., US (internal delegation) 美國（同集團委任） JPMorgan Asset Management (UK) Ltd., UK (internal delegation) 英國（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Limited 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	(mth) - AUD (hedged) class （每月派息）澳元對沖類別 1.37%† (mth) - EUR (hedged) class （每月派息）歐元對沖類別 1.37%† (mth) - HKD class （每月派息）港元類別 1.37%† (mth) - RMB (hedged) class （每月派息）人民幣對沖類別 1.37%† (mth) - USD class （每月派息）美元類別 1.37%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The classes offered in Hong Kong are in Australian dollars, Euro, HK dollars, Renminbi and US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別分別以澳元、歐元、港元、人民幣及美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	For (mth) Classes - Monthly distribution* (discretionary). Distributions may be paid out of capital which represents a return or withdrawal of part of the amount an investor originally invested or from any capital gains attributable to that original investment. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit. （每月派息）類別 — 每月分派*（酌情決定）。 分派可能從資本撥款，即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。基金作出任何分派均可能導致每單位資產淨值即時下跌。
Financial year end 財政年度終結日：	30 September 9月30日

Issued by JPMorgan Funds (Asia) Ltd. 由摩根基金（亞洲）有限公司刊發

Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): For RMB denominated Class(es): RMB16,000 or its equivalent in another currency For other Classes: USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）： 就以人民幣計價的類別而言：人民幣16,000元或其他貨幣之等值 就其他類別而言：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.

* Any distributions will be reinvested automatically in the subscription of further units of the corresponding Class of units of the Fund, or paid in cash provided certain conditions are met. Please refer to the section "DISTRIBUTION POLICY" in the Explanatory Memorandum of the Fund. The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval (if applicable) and one month's prior notice to the relevant unitholders.

經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

* 任何分派將自動再投資於認購基金相應單位類別的更多單位（或於符合若干特定情況下，以現金分派）。請參閱本基金的基金說明書內之「收益分派政策」一節。經理人可全權酌情決定修改收益分派政策，惟須獲得證監會事先批准（如適用），及須給予相關單位持有人一個月的事先通知。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment objective of the Fund is to provide regular income by investing primarily in a conservatively constructed portfolio of income generating securities globally, including but not limited to, equities (including preferred shares), senior secured bonds, high yield bonds, investment grade bonds, below investment grade bonds, emerging market bonds, convertible bonds, asset backed securities (including asset backed commercial papers) and mortgage backed securities. The Fund seeks to construct a conservative portfolio with the aim of operating the portfolio as a whole with volatility lower than that of the broad market over the medium term. It may be achieved by having a significant bias towards fixed income securities, especially high quality (investment grade) fixed income securities, if the Manager believes market conditions and opportunities favour such investments, and less exposure to equity securities and other asset classes. The Manager will construct a global diversified portfolio where the Fund can capture different sources of income and utilise the lower or negative correlation across asset classes to dampen the overall portfolio volatility.

The Fund will primarily invest (i.e. at least 70% of its total net asset value) in debt and equity securities. Issuers of these securities may be located in any country, including emerging markets. The Fund may vary its asset allocation in response to market conditions.

Asset allocation decisions are the result of qualitative and quantitative research into a range of fundamental factors such as economic outlook, official policy actions, market valuation levels, investor sentiment and positioning. The Manager, Investment Manager and/or Sub-Managers exercise a judgment as to the relative importance of various fundamental conditions as well as degree of conviction in establishing the asset class and geographic allocations in the Fund.

The Fund may invest up to 50% of its total net asset value in investment grade (as defined below) mortgage backed securities while investments in non-investment grade mortgage backed securities will be subject to the 20% limit on non-investment grade debt securities as described below.

The Fund will invest in equity and equity equivalent securities globally. There are no restrictions on market capitalisations, industries or geographies.

The Fund will invest in investment grade (rated Baa3/BBB- or higher using the highest rating available from one of the international independent rating agencies (e.g. Moody's, Standard & Poor's, Fitch)), non-investment grade (rated Ba1/BB+ or below using the highest rating available from one of the international independent rating agencies (e.g. Moody's, Standard & Poor's, Fitch)) and unrated debt securities (including but not limited to convertible bonds, asset backed securities, collateralised loan obligations, mortgage backed securities and asset backed commercial papers etc.) issued or guaranteed by governments, government agencies or supranational bodies worldwide or companies in both developed and emerging markets, provided that the Fund may only invest less than 30% of its total net asset value in convertible bonds, asset backed securities, collateralised loan obligations and asset backed commercial papers in aggregate. For the avoidance of doubt, the Fund will not invest more than 20% of its total net asset value in non-investment grade debt securities.

The Fund will not invest more than 10% of its total net asset value in securities issued by or guaranteed by any single sovereign (including its government, public or local authority) with a credit rating below investment grade.

The Fund may invest up to 10% of its total net asset value in instruments with loss-absorption features (e.g. contingent convertible debt securities, certain types of senior non-preferred debts, etc.).

The Fund may have limited usage of derivatives as permitted by the SFC from time to time such as options, warrants and futures and may under limited circumstances (e.g. for cash management purpose) as considered appropriate by the Manager, Investment Manager and/or Sub-Managers, hold up to 30% of its total net asset value in cash and cash based instruments.

The Fund will have limited Renminbi (RMB) denominated underlying investments.

The Fund may gain its exposure to equity and debt securities directly and/or through investing up to 50% of its total net asset value in units or shares of other collective investment schemes which are either authorised by the SFC[1] or eligible schemes in accordance with the list of recognised jurisdictions published by the SFC, provided that investment in any one of such schemes may not exceed 30% of the Fund's total net asset value. The investment

objective and strategy of the underlying schemes which the Fund invests in are similar to those of the Fund, and such underlying schemes will not use derivatives extensively. There are no restrictions on asset classes or geographies of the underlying schemes.

The Fund may invest in assets denominated in any currency. Non USD currency exposure may be hedged.

基金之投資目標為透過主要投資於由環球可產生收益之證券組成的保守型投資組合（包括但不限於股票（包括優先股）、優先擔保債券、高收益債券、投資級別債券、低於投資級別債券、新興市場債券、可換股債券、資產抵押證券（包括資產抵押商業票據）及按揭證券），以提供定期收益。基金將尋求構建一個保守型投資組合，旨在使投資組合整體的中期波幅控制在低於大市波幅的水平。為達致此目標，基金可偏重投資於定息證券，特別是優質（投資級別）定息證券（如經理人認為市場狀況及機遇利好該等投資），而對股票證券及其他資產類別的投資則較少。經理人將構建一個環球多元化的投資組合，基金可從中捕捉不同的收益來源並利用資產類別之間較低或相反的相關程度，降低投資組合的整體波幅。

基金將主要（即將其總資產淨值至少70%）投資於債務及股票證券。該等證券的發行人可位於任何國家，包括新興市場。基金可因應市場狀況調整其資產配置。

資產配置決策乃經過對經濟前景、官方政策行動、市場估值水平、投資者情緒及部署等多項基本因素進行質量研究及定量研究後作出。經理人、投資經理人及／或助理經理人在建立基金的資產類別及地域配置時，就各種基本因素狀況的相對重要性以及看好程度作出判斷。

基金可將其總資產淨值最多50%投資於投資級別（定義見下文）按揭證券，而對非投資級別按揭證券之投資將受下文所載有關非投資級別債務證券的20%上限所規限。

基金將投資於環球股票及等同股票的證券。市值、行業或地域並無限制。

基金將投資於由世界各地的政府、政府機構或超國家組織或位於成熟及新興市場的公司所發行或擔保的投資級別（被一間國際獨立評級機構（如穆迪、標準普爾及惠譽）給予評級中最高獲Baa3/BBB-或以上的評級）、非投資級別（被一間國際獨立評級機構（如穆迪、標準普爾及惠譽）給予評級中最高獲Ba1/BB+或以下的評級）及未獲評級債務證券（包括但不限於可換股債券、資產抵押證券、抵押貸款產品、按揭證券及資產抵押商業票據等），惟基金只可將其總資產淨值合計少於30%投資於可換股債券、資產抵押證券、抵押貸款產品及資產抵押商業票據。為免產生疑問，基金不會將其總資產淨值20%以上投資於非投資級別債務證券。

基金不會將其總資產淨值10%以上投資於信貸評級低於投資級別的任何單一國家（包括其政府、公共或地方當局）所發行或擔保的證券。

基金可將其總資產淨值最多10%投資於具有吸收虧損特點的工具（例如或然可換股債務證券、若干類型的高級非優先債務等）。

基金可有限度地使用證監會不時允許的衍生工具，例如期權、認股權證及期貨，並在經理人、投資經理人及／或助理經理人認為合適之有限情況下（例如以現金管理為目的），持有其總資產淨值最多30%於現金及以現金為本的工具。

基金將有限度地投資於人民幣計價相關投資項目。

基金可直接投資於股票及債務證券及／或透過將其總資產淨值最多50%投資於獲證監會認可[1]的其他集體投資計劃或證監會公佈的認可司法管轄區名單內的合資格計劃的單位或股份，而投資於股票及債務證券，惟於任何一個該等計劃的投資不可超過基金總資產淨值30%。基金所投資的相關計劃的投資目標及策略與基金相若，且該等相關計劃不會大量使用衍生工具。相關計劃的資產類別或地域並無限制。

基金可投資於以任何貨幣計價的資產。非美元貨幣風險可能會被對沖。

[1] SFC authorisation is not a recommendation or endorsement of a fund nor does it guarantee the commercial merits of the fund or its performance. It does not mean the fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

[1] 證監會之認可並非對基金作出推介或認許，亦不是對基金的商業利弊或表現作出保證。證監會之認可並不表示基金適合所有投資者，或認許基金適合任何個別投資者或任何類別的投資者。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Risk relating to dynamic asset allocation strategy** – The investments of the Fund may be periodically rebalanced and therefore the Fund may incur greater transaction costs than a fund with static allocation strategy.
- **Risks associated with debt securities** – the Fund's investments in debt securities are subject to the following risks:
  - **Interest rate risk** – Investment in the Fund is subject to interest rate risk. In general, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise.
  - **Below investment grade/unrated investment risk** – The Fund may invest in bonds and other debt securities which are unrated or with ratings below investment grade. Such securities are generally subject to lower liquidity, higher volatility and greater risk of loss of principal and interest than high-rated debt securities.

- **Investment grade bond risk** – Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review such assigned ratings and bonds may therefore be subject to the downgrading risk if economic circumstances (e.g. subject to market or other conditions) impact the relevant bond issues. Downgrading of the bonds may adversely affect the value of the relevant bonds and therefore the performance of the Fund. The Fund may or may not be able to dispose of the bonds that are downgraded. Also, the Fund may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.
- **Sovereign debt risk** – The Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Fund to participate in restructuring such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers.
- **Valuation risk** – Valuation of the Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund.
- **Credit rating risk** – Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.
- **Credit risk** – The Fund is exposed to the credit/default risk of issuers of the debt securities that the fund may invest in. If the issuer of any of the debt securities in which the Fund's assets are invested defaults, the performance of the Fund will be negatively affected and the Fund could suffer substantial loss.

- **Risks associated with asset backed securities, mortgage backed securities, collateralised loan obligations and asset backed commercial papers** – The Fund may invest substantially in mortgage backed securities. The asset backed securities, mortgage backed securities, collateralised loan obligations and asset backed commercial papers in which the Fund invests may be rated with non-investment grade and may be highly illiquid and prone to substantial price volatility. These instruments may be subject to greater credit, liquidity and interest rate risk compared to other debt securities. They are often exposed to extension and prepayment risks and risks that the payment obligations relating to the underlying assets are not met, which may adversely impact the returns of the securities.
- **Equity market risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors.
- **Risks of investing in other collective investment schemes** – The Fund will be subject to the risks associated with the underlying collective investment schemes it invests in. The Fund does not have control of the investments of the underlying schemes and there is no assurance that the investment objective and strategy of the underlying schemes will be successfully achieved which may have a negative impact to the net asset value of the Fund.

  The underlying schemes in which the Fund may invest may not be regulated by the SFC. There may be additional costs involved when investing into these underlying schemes. There is also no guarantee that the underlying schemes will always have sufficient liquidity to meet the Fund's redemption requests as and when made.
- **Emerging markets risk** – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes. The performance of the Fund may therefore be adversely affected.
- **Hedging risk** – The Manager and the Investment Manager are permitted, in their absolute discretion, but not obliged, to use hedging techniques to attempt to reduce market and currency risks. There is no guarantee that hedging techniques if used, will achieve the desired result nor that hedging techniques will be used, in those cases, the Fund may be exposed to the existing market and currency risks and may be adversely impacted. The hedging, if any, against foreign exchange risks may or may not be up to 100% of assets of the Fund.
- **Class currency risk** – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not Australian dollars) and chooses to invest in the AUD Hedged Class, the investor

may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and Australian dollars upon the reconversion of its Australian dollars investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in Australian dollars.

- **RMB currency risk** – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the People's Republic of China. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including US dollars and HK dollars, are susceptible to movements based on external factors. Accordingly, the investment in Classes denominated in RMB may be adversely affected by the fluctuations in the exchange rate between RMB and other foreign currencies. RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government.

  Class(es) denominated in RMB will generally be valued with reference to RMB (CNH) rather than RMB (CNY). While RMB (CNH) and RMB (CNY) represent the same currency, they are traded in different and separate markets which operate independently. As such RMB (CNH) does not necessarily have the same exchange rate and may not move in the same direction as RMB (CNY). Any divergence between RMB (CNH) and RMB (CNY) may adversely impact investors. Class(es) denominated in RMB participate in the offshore RMB (CNH) market, which allow investors to freely transact CNH outside of mainland China. Class(es) denominated in RMB will have no requirement to remit CNH to onshore RMB (CNY). Non-RMB based investors (e.g. Hong Kong investors) in Class(es) denominated in RMB may have to convert HK dollars or other currencies into RMB when investing in Class(es) denominated in RMB and subsequently convert the RMB redemption proceeds and/or distributions (if any) back to HK dollars or such other currencies. Investors will incur currency conversion costs and may suffer losses depending on the exchange rate movements of RMB relative to HK dollars or such other currencies. Also, there can be no assurance that RMB will not be subject to devaluation and any depreciation of RMB could adversely affect the value of the investor's investment in the Fund.

  Even if the Fund aims at paying redemption monies and/or distributions of RMB denominated Class(es) in RMB, the Manager may, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, pay redemption monies and/or distributions in US dollars. There is also a risk that payment of redemption monies and/or distributions in RMB may be delayed when there is not sufficient amount of RMB for currency conversion for settlement of the redemption monies and distributions in a timely manner due to the exchange controls and restrictions applicable to RMB. In any event, the redemption proceeds will be paid not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.

- **Currency Hedged Classes risk** – Each Currency Hedged Class may hedge the Fund's denominated currency back to its currency of denomination, with an aim to provide a return on investment which correlates with the return of the Class of unit which is denominated in the base currency of the Fund. The costs and resultant profit or loss on the hedging transactions will be reflected in the net asset value per unit for the units of the relevant Currency Hedged Classes. The costs relating to such hedging transactions which may be significant depending on prevailing market conditions shall be borne by that Currency Hedged Class only.

  The precise hedging strategy applied to a particular Currency Hedged Class may vary. In addition, there is no guarantee that the desired hedging instruments will be available or hedging strategy will achieve its desired result. In such circumstances, investors of the Currency Hedged Class may still be subject to the currency exchange risk on an unhedged basis (which means that, for example, if the hedging strategy in respect of the RMB Hedged Class is ineffective, depending on the exchange rate movements of RMB relative to the base currency of the Fund, and/or other currency(ies) of the non-RMB denominated underlying investment of the Fund, (i) investors may still suffer losses even if there are gains or no losses in the value of the non-RMB denominated underlying investments; or (ii) investors may suffer additional losses if the non-RMB denominated underlying investments of the Fund fall in value.) If the counterparties of the instruments used for hedging purposes default, investors of the Currency Hedged Classes may be exposed to the currency exchange risk on an unhedged basis and may therefore suffer further losses.

  While the hedging strategy may protect investors of the Currency Hedged Classes against a decrease in the value of the Fund's base currency relative to the denominated currency of that Currency Hedged Class, the hedging strategy may substantially limit the benefits of any potential increase in the value of a Currency Hedged Class expressed in the Class currency, if the Currency Hedged Class' denominating currency falls against the base currency of the Fund.

- **Distribution risk** – The Manager intends to distribute at least 85% of the income (net of expenses) attributable to each Class in respect of each accounting period. However, there is no assurance on such distribution or the distribution rate or dividend yield.

- **Payment of distributions out of capital risk** – Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realised and unrealised capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment, as a result, the capital that the Fund has available for investment in the future and capital growth may be reduced. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit. Also, a high distribution yield does not imply a positive or high return on the total investment. The distribution amount and net asset value per unit of a Currency Hedged Class may be adversely affected by differences in the interest rates of the reference currency of the relevant Currency Hedged Class and the Fund's base currency, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other Classes of units.

- **投資風險** – 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **有關動態資產配置策略的風險** – 基金的投資或會定期重新調整比重，以致基金所招致的交易費用或會較採用固定配置策略的基金為高。
- **與債務證券相關的風險** – 基金於債務證券之投資須承受以下風險：
  - **利率風險** – 於基金之投資須承受利率風險。通常，債務證券之價格會隨利率下降而上升；隨利率上升而下跌。
  - **低於投資級別／未獲評級投資之風險** – 基金可投資於未獲評級或評級低於投資級別之債券及其他債務證券。該等證券與高評級債務證券相比，通常流通性較低、波動較大且損失本金及利息之風險較高。
  - **投資級別債券風險** – 投資級別債券獲信貸評級機構（包括但不限於惠譽、穆迪及／或標準普爾）於信用可靠性或債券發行的違約風險的基礎上給予屬於高評級界別的評級。評級機構覆核該等評級。倘若經濟環境（例如市場或其他情況）影響有關債券發行，該等債券可能因而承受評級下調風險。債券評級的下調或會對該等債券之價值造成不利影響，基金的表現亦可能因而受到不利影響。基金不一定能夠出售被下調評級的債券。此外，基金可能面對較高不獲履行支付利息及償還本金之責任的風險。因此，投資者收回的金額可能低於原本的投資額。
  - **主權債務風險** – 基金投資於由政府發行或擔保的證券，可能承受政治、社會及經濟風險。在不利情況下，主權發行人未必能夠或願意在到期應付時償還本金及／或利息，或會要求基金參與該等債務的重組。主權債務發行人違約時，基金可能蒙受重大損失。
  - **估值風險** – 基金的投資估值或會涉及不明朗因素及判定性的決定。倘若該等估值不正確，此可能影響基金的資產淨值計算。
  - **信貸評級風險** – 評級機構給予的信貸評級存在局限，並不保證證券及／或發行人在所有時候的信用可靠性。
  - **信貸風險** – 基金可能承受基金所投資的債務證券之發行人的信貸／違約風險。倘若基金之資產所投資之任何債務證券之發行人違約，基金之表現將會受負面影響，而基金可能蒙受重大損失。
- **與資產抵押證券、按揭證券、抵押貸款產品及資產抵押商業票據相關的風險** – 基金可大量投資於按揭證券。基金所投資的資產抵押證券、按揭證券、抵押貸款產品及資產抵押商業票據可能被評為非投資級別，可能高度不流通且價格更易出現大幅波動。該等工具可能承受較其他債務證券為高的信貸、流通性及利率風險，往往會面對延期及提早還款之風險，以及相關資產付款責任未能履行之風險，因而可能對證券回報帶來不利影響。
- **股市風險** – 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。
- **投資於其他集體投資計劃之風險** – 基金須承受與其所投資的相關集體投資計劃相關的風險。基金無法控制相關計劃之投資，概不保證相關計劃的投資目標及策略將獲達成，這可能對基金之資產淨值造成不利影響。

  基金所投資的相關計劃未必受證監會規管。投資於此等相關計劃或會涉及額外成本。亦概不保證相關計劃將時刻具充足流通性，以應付基金不時之贖回要求。
- **新興市場風險** – 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。
- **貨幣風險** – 基金投資之資產及其收益將或可能以與基金之基本貨幣不同之貨幣計價。因此，基金之表現將受所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **衍生工具風險** – 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。
- **流通性風險** – 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。基金之表現可能因而會受不利影響。
- **對沖風險** – 經理人及投資經理人獲准有絕對酌情權（但並非必須）採用對沖方法以嘗試減低市場及貨幣之風險。概無保證該等對沖方法（如採用）將會達到預期之效果或該等對沖方法將獲得採用，在該等情形下，基金可能需承受現有之市場及貨幣風險，並可能受到不利影響。對匯率風險所作出的對沖（如有）可能或未必高達基金資產之100%。
- **類別貨幣風險** – 各類別之類別貨幣可能不同於基金之基本貨幣及其所投資的資產之貨幣及／或投資者之投資的基本貨幣。倘若投資者將其投資之基本貨幣轉換為類別貨幣以投資於一特定類別，及於其後將贖回所得由該類別貨幣轉換至其原有之投資基本貨幣，投資者可能因該類別貨幣對該原有貨幣貶值而蒙受損失。舉例而言，倘投資者之投資基本貨幣為港元（即非澳元）而選擇投資於澳元對沖類別，則該投資者可能承受較高的貨幣風險。與以澳元為原有之投資基本貨幣的投資者相比，該投資者可能因在將其澳元投資再轉換回港元時，港元與澳元之匯率波動而蒙受較高損失。
- **人民幣貨幣風險** – 人民幣匯率為一個受管理的浮動匯率，匯率基於市場供求及參考一籃子外國貨幣而釐定。人民幣匯率亦受制於外匯管制政策。於銀行間外匯市場中人民幣兌其他主要貨幣可按中華人民共和國之有關主管機構發佈的中央平價窄幅上落。由於匯率受政府政策及市場力量影響，人民幣兌包括美元及港元在內的其他貨幣的匯率將容易因外圍因素而變動。因此，投資於以人民幣計價的類別可能會因人民幣與其他外幣之間的匯率波動而受到不利的影響。人民幣現時不可自由兌換。將境外人民幣(CNH)兌換為境內人民幣(CNY)是一項貨幣管理程序，須遵守由中國政府實施的外匯管制政策及限制。

人民幣類別一般參考境外人民幣(CNH)而非境內人民幣(CNY)計價。境外人民幣(CNH)及境內人民幣(CNY)雖屬相同貨幣，但有關貨幣在獨立運作的不同和個別市場上買賣。因此，境外人民幣(CNH)與境內人民幣(CNY)的匯率未必相同，匯率走勢亦可能不一樣。境外人民幣(CNH)與境內人民幣(CNY)間出現任何差異，可能對投資者造成不利影響。以人民幣計價的類別參與境外人民幣(CNH)市場，可在中國大陸境外自由交易境外人民幣(CNH)。以人民幣計價的類別毋須將境外人民幣(CNH)匯成境內人民幣(CNY)。並非以人民幣為基本貨幣的投資者（如香港投資者），在投資以人民幣計價的類別時可能須將港元或其他貨幣兌換為人民幣，其後亦須將人民幣贖回所得款項及／或人民幣分派（如有）兌換為港元或該等其他貨幣。投資者將招致匯兌成本，並可能蒙受損失，視乎人民幣相對於港元或該等其他貨幣的匯率走勢而定。此外，不能保證人民幣不會貶值，而人民幣貶值可對投資者於基金的投資價值產生不利影響。

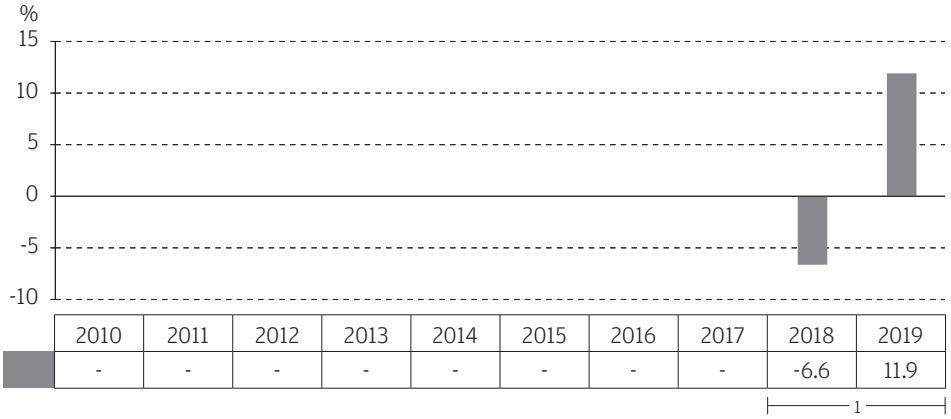
即使基金打算以人民幣支付贖回款項及／或以人民幣計價的類別的分派，惟在極端市況下市場未能提供足夠人民幣作貨幣兌換時及獲信託管理人批准後，經理人可以美元支付贖回款項及／或分派。如因人民幣適用的外匯管制政策及限制而未能及時具備足夠的人民幣供結算贖回款項及／或分派，亦存在以人民幣支付的贖回款項及／或分派或會被延誤的風險。無論如何，贖回所得款項將於單位被贖回及經理人已接獲以指定格式正式填妥之贖回要求及信託管理人或經理人可能合理要求之其他資料之有關交易日後一個曆月內支付。

- **貨幣對沖類別風險** — 各貨幣對沖類別可將基金之計價貨幣對沖回其計價貨幣，旨在提供與以基金之基本貨幣計價的類別相關的投資回報。對沖交易的成本及所得盈虧將會反映於有關貨幣對沖類別單位之每單位資產淨值內。有關該等對沖交易的任何成本視乎當前市況而定可屬重大，將只由該貨幣對沖類別承擔。

  應用於某特定貨幣對沖類別之確切對沖策略或會不同。此外，概不保證能夠獲得預期的對沖工具或對沖策略將會達到預期效果。在該等情況下，貨幣對沖類別之投資者可能仍需承受未對沖之貨幣兌換風險（舉例而言，如人民幣對沖類別之對沖策略無效，視乎人民幣相對於基金的基本貨幣，及／或基金的非人民幣計價相關資產的其他貨幣的匯率走勢而定：(i)即使非人民幣計價的相關資產的價值上有收益或並無虧損，投資者仍可能蒙受損失；或(ii)如基金的非人民幣計價相關資產的價值下跌，投資者可能蒙受額外損失）。倘若用作對沖目的之工具之交易對象違約，貨幣對沖類別的投資者可能承受未對沖的貨幣兌換風險及可能因此承受進一步損失。

  儘管對沖策略可能保護貨幣對沖類別的投資者免受基金的基本貨幣相對於貨幣對沖類別之計價貨幣之價值下跌所影響，惟倘若貨幣對沖類別之計價貨幣對基金之基本貨幣下跌，則該對沖策略可能大幅限制以類別貨幣列值的貨幣對沖類別之任何潛在升值的利益。
- **分派風險** — 經理人擬在扣除開支後，將各類別在每一會計期間分別應佔之收益的最少85%作出分派。然而，該分派或分派率或收益率並不獲保證。
- **從資本撥款作出分派之風險** — 當基金產生之收入並不足夠支付基金宣佈之分派時，經理人可酌情決定該等分派可能由資本（包括實現與未實現資本收益）撥款支付。投資者應注意，從資本撥款支付分派即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。因此，基金未來可用作投資的資本及資本增值或會減少。基金作出任何分派均可能導致每單位資產淨值即時下跌。此外，高分派收益並不表示總投資的正或高回報。貨幣對沖類別之分派金額及每單位資產淨值可能受到有關貨幣對沖類別的參考貨幣與基金的基本貨幣之利率差異的不利影響，導致從資本撥款支付分派的金額增加，繼而使資本被侵蝕的程度較其他單位類別為高。

How has the fund performed? 本基金過往的業績表現如何？



1 On 3 April 2019, the investment policy of the Fund was changed. Performance prior to 3 April 2019 was achieved under circumstances that no longer apply.

1 由2019年4月3日起，本基金的投資政策已作出更改。2019年4月3日之前的表現是在現時不再適用的情況下達致。

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views “(mth) - USD class” being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- Fund launch date: 2017
- Class launch date: 2017
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。

- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（每月派息）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 如年內沒有顯示有關的業績表現，即代表當年沒有足夠數據用作提供業績表現之用。
- 本基金成立日期：2017
- 單位類別成立日期：2017

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.25% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.25%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025-0.06% of NAV p.a. (maximum 0.2%) 每年資產淨值之0.025-0.06%（最高可達0.2%）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[1].
- Investors may obtain the past performance information of other classes offered to Hong Kong investors from am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。
- 最近12個月的分派成分（即從(i)可分派收入淨額及(ii)資本所派發的相對金額），可向經理人索取及於以下網頁查閱：am.jpmorgan.com/hk[1]。
- 投資者可於am.jpmorgan.com/hk[1]取得其他向香港投資者銷售的單位類別之過往業績資料。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

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PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Multi Income Fund
摩根全方位入息基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- ***本概要提供本基金的重要資料，***
- ***是銷售文件的一部分。***
- ***請勿單憑本概要作投資決定。***

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Sub-Managers 助理經理人：	J.P. Morgan Investment Management Inc., US (internal delegation) 美國（同集團委任） JPMorgan Asset Management (UK) Ltd., UK (internal delegation) 英國（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Limited 滙豐機構信託服務（亞洲）有限公司

Ongoing charges over a year 全年經常性開支比率：

(acc) - RMB (hedged) class	（累計）人民幣對沖類別	1.31%†
(acc) - USD class[1]	（累計）美元類別[1]	1.31%†
(mth) - AUD (hedged) class	（每月派息）澳元對沖類別	1.31%†
(mth) - CAD (hedged) class	（每月派息）加元對沖類別	1.31%†
(mth) - EUR (hedged) class	（每月派息）歐元對沖類別	1.31%†
(mth) - GBP (hedged) class	（每月派息）英鎊對沖類別	1.31%†
(mth) - HKD class	（每月派息）港元類別	1.31%†
(mth) - NZD (hedged) class	（每月派息）紐元對沖類別	1.31%†
(mth) - RMB (hedged) class[2]	（每月派息）人民幣對沖類別[2]	1.31%†
(mth) - SGD (hedged) class	（每月派息）新加坡元對沖類別	1.31%†
(mth) - USD class	（每月派息）美元類別	1.31%†

† The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year.

1 This class is distributed via selective distributors only.

2 This class is not available on the J.P. Morgan eTrading platform.

† 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。

1 此類別只由指定分銷商分銷。

2 摩根網上交易平台並不提供此類別。

Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The classes offered in Hong Kong are in Australian dollars, Canadian dollars, Euro, Sterling, HK dollars, New Zealand dollars, Renminbi, Singapore dollars and US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別分別以澳元、加元、歐元、英鎊、港元、紐元、人民幣、新加坡元及美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class)/ (mth) class - Monthly distribution* Distributions may be paid out of capital which represents a return or withdrawal of part of the amount an investor originally invested or from any capital gains attributable to that original investment. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit.

Issued by JPMorgan Funds (Asia) Ltd. 由摩根基金（亞洲）有限公司刊發

	（累計）類別 — 累計（收益將保留並撥作投資相應類別）／ （每月派息）類別 — 每月分派* 分派可能從資本撥款，即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。基金作出任何分派均可能導致每單位資產淨值即時下跌。
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): For RMB denominated Classes: RMB16,000 or its equivalent in another currency For other Classes: USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）： 就以人民幣計價的類別而言：人民幣16,000元或其他貨幣之等值 就其他類別而言：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.

* Any distributions will be reinvested automatically in the subscription of further units of the corresponding Class of units of the Fund, or paid in cash provided certain conditions are met. Please refer to the section "DISTRIBUTION POLICY" in the Explanatory Memorandum of the Fund. The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC's prior approval and one month's prior notice to the relevant unitholders.

經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

* 任何分派將自動再投資於認購基金相應單位類別的更多單位（或於符合若干特定情況下，以現金分派）。請參閱本基金的基金說明書內之「收益分派政策」一節。經理人可全權酌情決定修改收益分派政策，惟須獲得證監會事先批准，及須給予相關單位持有人一個月的事先通知。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

To maximize the income return primarily through investing in a diversified portfolio of income producing equities, bonds and other securities. In addition, the Fund aims to provide medium to long term moderate capital growth. The Manager will seek to achieve these objectives by active asset allocation to, and within, different asset classes and geographies. The asset classes include but are not limited to investment grade bonds, below investment grade bonds, high yield bonds, emerging market bonds, convertible bonds, asset backed securities (including asset backed commercial papers), mortgage backed securities, real estate investment trusts ("REITs") and equities. The Fund will primarily invest (i.e. at least 70% of its total net asset value) in debt and equity securities.

Asset allocation decisions are the result of qualitative and quantitative research into a range of fundamental factors such as economic outlook, official policy actions, market valuation levels, investor sentiment and positioning. The Manager, Investment Manager and/or Sub-Managers exercise a judgment as to the relative importance of various fundamental conditions as well as degree of conviction in establishing the asset class and geographic allocations in the Fund.

The Fund may invest up to 50% of its total net asset value in asset backed securities (including asset backed commercial papers) and mortgage backed securities. The Fund may invest less than 30% of its total net asset value in non-agency asset backed securities (including asset backed commercial papers) and non-agency mortgage backed securities.

The Fund will not invest more than 10% of its total net asset value in urban investment bonds[1] (城投債).

The Fund will invest in equity and equity equivalent securities globally. There are no restrictions on market capitalisations, industries or geographies.

The Fund may invest up to 30% of its total net asset value in REITs.

The Fund may invest less than 50% of its total net asset value in debt securities (excluding convertible bonds) rated below investment grade (rated Ba1/BB+ or below using the highest rating available from one of the international independent rating agencies (e.g. Moody's, Standard and Poor's, Fitch)) and unrated debt securities (excluding convertible bonds). The Fund may invest less than 10% of its total net asset value in convertible bonds with no prescribed limitation on credit rating.

The Fund may also invest in derivatives as permitted by the Securities and Futures Commission from time to time such as options, warrants and futures for investment purposes and may under limited circumstances (e.g. for cash management purpose) as considered appropriate by the Manager and the Investment Manager, hold temporarily up to 30% of its total net asset value in cash and cash based instruments.

The Fund will not invest more than 10% of its total net asset value in PRC onshore securities (including equity and debt securities).

The Fund will not invest more than 10% of its total net asset value in Chinese debt securities traded in the China interbank bond market (the "CIBM") through the CIBM Initiative[2] and/or Bond Connect.

The Fund will not invest more than 10% of its total net asset value in securities issued by or guaranteed by any single sovereign (including its government, public or local authority) with a credit rating below investment grade.

The Fund's aggregate exposure (direct and indirect) to China A-Shares and B-Shares may not exceed 10% of its total net asset value and should this investment policy in China A-Shares and/or B-Shares change in the future, one month's prior notice will be given to unitholders and the offering document will be updated accordingly.

The Fund may invest up to 10% of its total net asset value in instruments with loss-absorption features (e.g. contingent convertible debt securities, certain types of senior non-preferred debts, etc.).

The Fund will have limited Renminbi (RMB) denominated underlying investments.

The Fund may invest in assets denominated in any currency. Non USD currency exposure may be hedged.

透過主要投資於一項由可產生收益的股票、債券及其他證券組成的多元化投資組合，以期盡量提高收益回報。此外，基金亦致力提供中期至長期之溫和資本增值。經理人將會透過於不同資產類別及地域作出積極資產配置，以期達致該等目標。該等資產類別包括但不限於投資級別債券、低於投資級別債券、高收益債券、新興市場債券、可換股債券、資產抵押證券（包括資產抵押商業票據）、按揭證券、房地產投資信託及股票。

基金將主要（即將其總資產淨值至少70%）投資於債務及股票證券。

資產配置決策乃經過對經濟前景、官方政策行動、市場估值水平、投資者情緒及部署等多項基本因素進行質量研究及定量研究後作出。經理人、投資經理人及／或助理經理人在建立基金的資產類別及地域配置時，就各種基本因素狀況的相對重要性以及看好程度作出判斷。

基金可將其總資產淨值最多50%投資於資產抵押證券（包括資產抵押商業票據）及按揭證券。基金可將其總資產淨值少於30%投資於非機構資產抵押證券（包括資產抵押商業票據）及非機構按揭證券。

基金不會將其總資產淨值10%以上投資於城投債[1]。

基金將投資於環球股票及等同股票的證券。市值、行業或地域並無限制。

基金可將其總資產淨值最多30%投資於房地產投資信託基金。

基金可將其總資產淨值少於50%投資於低於投資級別（被一間國際獨立評級機構（如穆迪、標準普爾及惠譽）給予評級中最高獲Ba1/BB+或以下的評級）的債務證券（不包括可換股債券）及未獲評級債務證券（不包括可換股債券）。基金可將其總資產淨值少於10%投資於可換股債券，且並無訂明的信貸評級限制。

基金亦可為投資目的而投資於證券及期貨事務監察委員會不時允許的衍生工具，例如期權、認股權證及期貨，並在經理人及投資經理人認為合適之有限情況下（例如以現金管理為目的），將其總資產淨值最多30%暫時持有現金及以現金為本的工具。

基金不會將其總資產淨值10%以上投資於中國境內證券（包括股票及債務證券）。

基金不會將其總資產淨值10%以上透過中國銀行間債券市場項目[2]及／或債券通投資於在中國銀行間債券市場（「中國銀行間債券市場」）交易的中國債務證券。

基金不會將其總資產淨值10%以上投資於信貸評級低於投資級別的任何單一主權發行人（包括其政府、該國的公共或地方當局）所發行或擔保的證券。

基金於中國A股及B股的總投資（直接及間接）不可超過其總資產淨值的10%。該有關中國A股及／或B股的投資政策於未來如有改變，經理人將向單位持有人發出一個月的事先通知，而銷售文件將作出相應更新。

基金可將其總資產淨值最多10%投資於具有吸收虧損特點的工具（例如或然可換股債務證券、若干類型的高級非優先債務等）。

基金將有限度投資於以人民幣計價相關投資項目。

基金可投資於以任何貨幣計價的資產。非美元貨幣風險可能會被對沖。

1 Urban investment bonds are debt instruments issued by mainland China local government financing vehicles ("LGFVs"). These LGFVs are separate legal entities established by local governments and/or their affiliates to raise financing for public welfare investment or infrastructure projects.

2 In February 2016, the People's Bank of China announced the opening-up of the CIBM to a wider group of eligible foreign institutional investors free of quota restriction (the "CIBM Initiative").

1 城投債為中國內地地方政府融資平台（「地方政府融資平台」）發行之債務工具。此等地方政府融資平台為由地方政府及／或其聯繫人士成立之獨立法律實體，以籌集融資作為公共福利投資或基礎建設計劃之用途。

2 2016年2月，中國人民銀行宣佈向更多合資格境外機構投資者開放中國銀行間債券市場且不設額度限制（「中國銀行間債券市場項目」）。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.

本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Risk relating to dynamic asset allocation strategy** – The investments of the Fund may be periodically rebalanced and therefore the Fund may incur greater transaction costs than a fund with static allocation strategy.
- **Risks associated with debt securities** – the Fund's investment in debt securities are subject to the following risks:
  - **Investment grade bond risk** – Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review, from time to time such assigned ratings and bonds may therefore be downgraded in rating if economic circumstances (e.g. subject to market or other conditions) impact the relevant bond issues. Downgrading of the bonds may adversely affect the value of the relevant bonds and therefore the performance of the Fund. The Fund may or may not be able to dispose of the bonds that are downgraded. Also, the Fund may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.
  - **Below investment grade/unrated investment risk** – The Fund may invest in bonds and other debt securities which are unrated or with ratings below investment grade. Accordingly, such investment will be accompanied by a higher degree of credit and liquidity risks than is present with investment in higher rated securities. During economic downturns such bonds typically fall more in value than investment grade bonds as such are often subject to a higher risk of issuer default. The NAV of the Fund may decline or be negatively affected if there is a default of any of the high yield bond that the Fund invests in or if interest rates change.
  - **Credit risk** – If the issuer of any of the securities in which the Fund's assets are invested defaults, the performance of the Fund will be adversely affected and the Fund could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the Fund. Decline in credit quality of the issuer may adversely affect the valuation of the relevant bonds and the Fund. The credit ratings assigned by credit rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or the issuer at all times.
  - **Interest rate risk** – Interest rates in the countries in which the Fund's assets will be invested may be subject to fluctuations. Any such fluctuations may have a direct effect on the income received by the Fund and its capital value. Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. The prices of bonds generally increase when interest rates decline and decrease when interest rates rise. Longer term bonds are usually more sensitive to interest rate changes. The performance of the Fund may therefore be adversely affected.
  - **Sovereign debt risk** – The Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Fund to participate in restructuring such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers.
  - **Valuation risk** – Valuation of the Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund.
- **Risks associated with asset backed securities, mortgage backed securities, collateralised loan obligations and asset backed commercial papers** – The Fund may invest substantially in mortgage backed securities. The asset backed securities, mortgage backed securities, collateralised loan obligations and asset backed commercial papers in which the Fund invests may be rated with non-investment grade and may be highly illiquid and prone to substantial price volatility. These instruments may be subject to greater credit, liquidity and interest rate risk compared to other debt securities. They are often exposed to extension and prepayment risks and risks that the payment obligations relating to the underlying assets are not met, which may adversely impact the returns of the securities.
- **Equity risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **REITs risk** – The Fund may invest in REITs which invest primarily in real estate and this may involve a higher level of risk as compared to a diversified fund and other securities, and the Fund may be adversely impacted. The underlying REITs in which the Fund may invest may not necessarily be authorized by the SFC and their distribution or payout policies are not representative of the distribution policy of the Fund.

- **Emerging markets risk** – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes.
- **Hedging risk** – The Manager, the Investment Manager and the Sub-Manager(s) are permitted, in their absolute discretion, but not obliged, to use hedging techniques to attempt to reduce market and currency risks. There is no guarantee that hedging techniques if used, will achieve the desired result nor that hedging techniques will be used, in those cases, the Fund may be exposed to the existing market and currency risks and may be adversely impacted. The hedging, if any, against foreign exchange risks may or may not be up to 100% of assets of the Fund.
- **Class currency risk** – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not Australian dollars) and chooses to invest in the AUD Hedged Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and Australian dollars upon the reconversion of its Australian dollars investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in Australian dollars.
- **RMB currency risk** – RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. RMB exchange rate is also subject to exchange control policies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the relevant authorities of the People's Republic of China. As the exchange rates are influenced by government policy and market forces, the exchange rates for RMB against other currencies, including US dollars and HK dollars, are susceptible to movements based on external factors. Accordingly, the investment in Classes denominated in RMB may be adversely affected by the fluctuations in the exchange rate between RMB and other foreign currencies. RMB is currently not freely convertible and RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and restrictions imposed by the Chinese government.

  Class(es) denominated in RMB will generally be valued with reference to RMB (CNH) rather than RMB (CNY). While RMB (CNH) and RMB (CNY) represent the same currency, they are traded in different and separate markets which operate independently. As such RMB (CNH) does not necessarily have the same exchange rate and may not move in the same direction as RMB (CNY). Any divergence between RMB (CNH) and RMB (CNY) may adversely impact investors. Class(es) denominated in RMB participate in the offshore RMB (CNH) market, which allow investors to freely transact CNH outside of mainland China. Class(es) denominated in RMB will have no requirement to remit CNH to onshore RMB (CNY). Non-RMB based investors (e.g. Hong Kong investors) in Class(es) denominated in RMB may have to convert HK dollars or other currencies into RMB when investing in Class(es) denominated in RMB and subsequently convert the RMB redemption proceeds and/or distributions (if any) back to HK dollars or such other currencies. Investors will incur currency conversion costs and may suffer losses depending on the exchange rate movements of RMB relative to HK dollars or such other currencies. Also, there can be no assurance that RMB will not be subject to devaluation and any depreciation of RMB could adversely affect the value of the investor's investment in the Fund.

Even if the Fund aims at paying redemption monies and/or distributions of RMB denominated Class(es) in RMB, the Manager may, under extreme market conditions when there is not sufficient RMB for currency conversion and with the approval of the Trustee, pay redemption monies and/or distributions in US dollars. There is also a risk that payment of redemption monies and/or distributions in RMB may be delayed when there is not sufficient amount of RMB for currency conversion for settlement of the redemption monies and distributions in a timely manner due to the exchange controls and restrictions applicable to RMB. In any event, the redemption proceeds will be paid not later than one calendar month after the relevant dealing day on which units are redeemed and the Manager has received a duly completed redemption request in a prescribed format and such other information as the Trustee or the Manager may reasonably require.

- **Currency Hedged Classes risk** – Each Currency Hedged Class may hedge the Fund's denominated currency back to its currency of denomination, with an aim to provide a return on investment which correlates with the return of the Class of unit which is denominated in the base currency of the Fund. The costs and resultant profit or loss on the hedging transactions will be reflected in the net asset value per unit for the units of the relevant Currency Hedged Classes. The costs relating to such hedging transactions which may be significant depending on prevailing market conditions shall be borne by that Currency Hedged Class only.

  The precise hedging strategy applied to a particular Currency Hedged Class may vary. In addition, there is no guarantee that the desired hedging instruments will be available or hedging strategy will achieve its desired result. In such circumstances, investors of the Currency Hedged Class may still be subject to the currency exchange risk on an unhedged basis (which means that, for example, if the hedging strategy in respect of the RMB Hedged Class is ineffective, depending on the exchange rate movements of RMB relative to the base currency of the Fund, and/or other currency(ies) of the non-RMB denominated underlying investment of the Fund, (i) investors may still suffer losses even if there are gains or no losses in the value of the non-RMB denominated underlying investments; or (ii) investors may suffer additional losses if the non-RMB denominated underlying investments of the Fund fall in value.) If the counterparties of the instruments used for hedging purposes default, investors of the Currency Hedged Classes may be exposed to the currency exchange risk on an unhedged basis and may therefore suffer further losses.

  While the hedging strategy may protect investors of the Currency Hedged Classes against a decrease in the value of the Fund's base currency relative to the denominated currency of that Currency Hedged Class, the hedging strategy may substantially limit the benefits of any potential increase in the value of a Currency Hedged Class expressed in the Class currency, if the Currency Hedged Class' denominating currency falls against the base currency of the Fund.

- **Distribution risk** – Except for the Classes with the suffix "(acc)" which are accumulation Classes and will not normally pay distributions, the Manager intends to distribute at least 85% of the income (net of expenses) attributable to each Class in respect of each accounting period. However, there is no assurance on such distribution or the distribution rate or dividend yield.

- **Payment of distributions out of capital risk** – Where the income generated by the Fund is insufficient to pay a distribution as the Fund declares, the Manager may in its discretion determine such distributions may be paid from capital including realized and unrealized capital gains. Investors should note that the payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that original investment, as a result, the capital that the Fund has available for investment in the future and capital growth may be reduced. Any payments of distributions by the Fund may result in an immediate decrease in the net asset value per unit. Also, a high distribution yield does not imply a positive or high return on the total investment.

  The distribution amount and NAV of the Currency Hedged Class may be adversely affected by differences in the interest rates of the denominated currency of the Currency Hedged Class and the base currency of the Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-Currency Hedged Classes.

- **Risks related to the Eurozone sovereign debt crisis** – The Fund may invest substantially in the Eurozone. In light of the ongoing fiscal conditions and concerns on the sovereign debt risk of certain countries within the Eurozone (in particular, Portugal, Ireland, Italy, Greece and Spain), the Fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. The performance of the Fund may deteriorate significantly should there be any adverse credit events (e.g. downgrade of the sovereign credit rating, obligation default, etc) of any Eurozone country or exit of members from the Eurozone.

- **投資風險** – 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。

- **有關動態資產配置策略的風險** – 基金的投資或會定期重新調整比重，以致基金所招致的交易費用或會較採用固定配置策略的基金為高。

- **與債務證券相關的風險** – 基金於債務證券之投資須承受以下風險：
  - **投資級別債券風險** – 投資級別債券獲信貸評級機構（包括但不限於惠譽、穆迪及／或標準普爾）於信用可靠性或債券發行的違約風險的基礎上給予屬於高評級界別的評級。評級機構不時覆核該等評級。倘若經濟環境（例如市場或其他情況）影響有關債券發行，該等債券的評級可能因此被下調。債券評級的下調或會對該等債券之價值造成不利影響，基金的表現亦可能因而受到不利影響。基金不一定能夠出售被下調評級的債券。此外，基金可能面對較高不獲履行支付利息及償還本金之責任的風險。因此，投資者收回的金額可能低於原本的投資額。
  - **低於投資級別／未獲評級投資之風險** – 基金可投資於未獲評級或評級低於投資級別之債券及其他債務證券。因此，該等投資將承受較其他評級較高的證券為高之信貸及流通性風險。於經濟下滑時，該等債券一般較投資級別債券價格跌幅更大，因其通常承受較高之發行人違約風險。當基金投資的任何高收益債券違約或如利率改變，基金資產淨值或會下跌或受負面影響。
  - **信貸風險** – 倘若本基金之資產所投資之任何證券之發行人違約，本基金之表現將會受負面影響及本基金可能承受重大損失。定息證券不履行支付利息或本金之責任或會對本基金之表現造成不利影響。發行人的信貸質素降低，或會對有關債券及本基金之估值造成不利影響。信貸評級機構給予的信貸評級存在局限，並不保證證券及／或發行人在所有時候的信用可靠性。
  - **利率風險** – 本基金之資產所投資之一些國家之利率可能會有所波動。任何該等波動可能會對本基金所收到之收益及其資本價值有直接影響。債券特別容易受到利率變動所影響，並且可能承受顯著的價格波動。債券的價格一般會隨利率下降而上升；隨利率上升而下跌。較長期債券通常對利率變動較為敏感。基金之表現可能因而會受不利影響。
  - **主權債務風險** – 基金投資於由政府發行或擔保的證券，可能承受政治、社會及經濟風險。在不利情況下，主權發行人未必能夠或願意在到期應付時償還本金及／或利息，或會要求基金參與該等債務的重組。主權債務發行人違約時，基金可能蒙受重大損失。
  - **估值風險** – 本基金的投資估值或會涉及不明朗因素及判定性的決定。倘若該等估值不正確，此可能影響本基金的資產淨值計算。
- **與資產抵押證券、按揭證券、抵押貸款產品及資產抵押商業票據相關的風險** – 基金可大量投資於按揭證券。基金所投資的資產抵押證券、按揭證券、抵押貸款產品及資產抵押商業票據可能被評為非投資級別，可能高度不流通且價格更易出現大幅波動。該等工具可能承受較其他債務證券為高的信貸、流通性及利率風險，往往會面對延期及提早還款之風險，以及相關資產付款責任未能履行之風險，因而可能對證券回報帶來不利影響。
- **股票風險** – 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **房地產投資信託基金（「REIT」）之風險** – 本基金可投資於主要投資於房地產之REIT，據此可能涉及之風險較投資於多元化基金及其他證券之風險程度更高，本基金可能需承受不利影響。基金可投資相關的REIT不一定獲證監會認可及相關REIT的分派或派付政策並不代表基金的分派政策。
- **新興市場風險** – 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。
- **貨幣風險** – 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **衍生工具風險** – 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。
- **流通性風險** – 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。
- **對沖風險** – 經理人、投資經理人及助理經理人獲准有絕對酌情權（但並非必須）採用對沖方法以嘗試減低市場及貨幣之風險。概無保證該等對沖方法（如採用）將會達到預期之效果或該等對沖方法將獲得採用，在該等情形下，基金可能需承受現有之市場及貨幣風險，並可能受到不利影響。對匯率風險所作出的對沖（如有）可能或未必高達基金資產之100%。

- **類別貨幣風險** – 各類別之類別貨幣可能不同於基金之基本貨幣及其所投資的資產之貨幣及/或投資者之投資的基本貨幣。倘若投資者將其投資之基本貨幣轉換為類別貨幣以投資於一特定類別，及於其後將贖回所得由該類別貨幣轉換至其原有之投資基本貨幣，投資者可能因該類別貨幣對該原有貨幣貶值而蒙受損失。舉例而言，倘投資者之投資基本貨幣為港元（即非澳元）而選擇投資於澳元對沖類別，則該投資者可能承受較高的貨幣風險。與以澳元為原有之投資基本貨幣的投資者相比，該投資者可能因在將其澳元投資再轉換回港元時，港元與澳元之匯率波動而蒙受較高損失。
- **人民幣貨幣風險** – 人民幣匯率為一個受管理的浮動匯率，匯率基於市場供求及參考一籃子外國貨幣而釐定。人民幣匯率亦受制於外匯管制政策。於銀行間外匯市場中人民幣兌其他主要貨幣可按中華人民共和國之有關主管機構發佈的中央平價窄幅上落。由於匯率受政府政策及市場力量影響，人民幣兌包括美元及港元在內的其他貨幣的匯率將容易因外圍因素而變動。因此，投資於以人民幣計價的類別可能會因人民幣與其他外幣之間的匯率波動而受到不利的影響。人民幣現時不可自由兌換。將境外人民幣(CNH)兌換為境內人民幣(CNY)是一項貨幣管理程序，須遵守由中國政府實施的外匯管制政策及限制。

  人民幣類別一般參考境外人民幣(CNH)而非境內人民幣(CNY)計價。境外人民幣(CNH)及境內人民幣(CNY)雖屬相同貨幣，但有關貨幣在獨立運作的不同和個別市場上買賣。因此，境外人民幣(CNH)與境內人民幣(CNY)的匯率未必相同，匯率走勢亦可能不一樣。境外人民幣(CNH)與境內人民幣(CNY)間出現任何差異，可能對投資者造成不利影響。以人民幣計價的類別參與境外人民幣(CNH)市場，可在中國大陸境外自由交易境外人民幣(CNH)。以人民幣計價的類別毋須將境外人民幣(CNH)匯成境內人民幣(CNY)。並非以人民幣為基本貨幣的投資者（如香港投資者），在投資以人民幣計價的類別時可能須將港元或其他貨幣兌換為人民幣，其後亦須將人民幣贖回所得款項及／或人民幣分派（如有）兌換為港元或該等其他貨幣。投資者將招致匯兌成本，並可能蒙受損失，視乎人民幣相對於港元或該等其他貨幣的匯率走勢而定。此外，不能保證人民幣不會貶值，而人民幣貶值可對投資者於基金的投資價值產生不利影響。

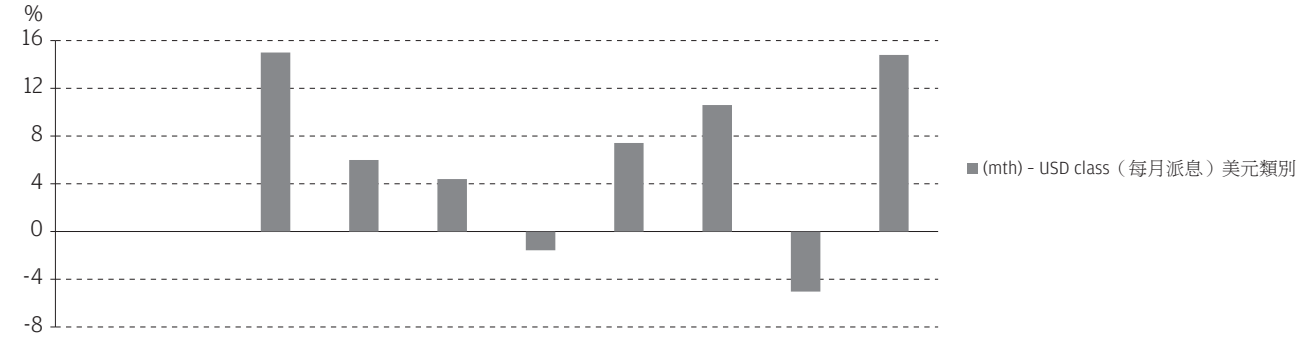
  即使基金打算以人民幣支付贖回款項及／或以人民幣計價的類別的分派，惟在極端市況下市場未能提供足夠人民幣作貨幣兌換時及獲信託管理人批准後，經理人可以美元支付贖回款項及／或分派。如因人民幣適用的外匯管制政策及限制而未能及時具備足夠的人民幣供結算贖回款項及／或分派，亦存在以人民幣支付的贖回款項及／或分派或會被延誤的風險。無論如何，贖回所得款項將於單位被贖回及經理人已接獲以指定格式正式填妥之贖回要求及信託管理人或經理人可能合理要求之其他資料之有關交易日後一個曆月內支付。
- **貨幣對沖類別風險** – 各貨幣對沖類別可將基金之計價貨幣對沖回其計價貨幣，旨在提供與以基金之基本貨幣計價的類別相關的投資回報。對沖交易的成本及所得盈虧將會反映於有關貨幣對沖類別單位之每單位資產淨值內。有關該等對沖交易的任何成本視乎當前市況而定可屬重大，將只由該貨幣對沖類別承擔。

  應用於某特定貨幣對沖類別之確切對沖策略或會不同。此外，概不保證能夠獲得預期的對沖工具或對沖策略將會達到預期效果。在該等情況下，貨幣對沖類別之投資者可能仍需承受未對沖之貨幣兌換風險(舉例而言，如人民幣對沖類別之對沖策略無效，視乎人民幣相對於基金的基本貨幣，及／或該基金的非人民幣計價相關資產的其他貨幣的匯率走勢而定：(i)即使非人民幣計價的相關資產的價值上有收益或並無虧損，投資者仍可能蒙受損失；或(ii)如基金的非人民幣計價相關資產的價值下跌，投資者可能蒙受額外損失)。倘若用作對沖目的之工具之交易對象違約，貨幣對沖類別的投資者可能承受未對沖的貨幣兌換風險及可能因此承受進一步損失。

  儘管對沖策略可能保護貨幣對沖類別的投資者免受基金的基本貨幣相對於貨幣對沖類別之計價貨幣之價值下跌所影響，惟倘若貨幣對沖類別之計價貨幣對基金之基本貨幣下跌，則該對沖策略可能大幅限制以類別貨幣列值的貨幣對沖類別之任何潛在升值的利益。
- **分派風險** – 除以「（累計）」為後綴之類別（其為累計類別及通常不會支付分派）外，經理人擬在扣除開支後，將各類別在每一會計期間分別應佔之收益的最少85%作出分派。然而，該分派或分派率或收益率並不獲保證。
- **從資本撥款作出分派之風險** – 當基金所產生之收入並不足夠支付基金宣佈之分派時，經理人可酌情決定該等分派可能由資本（包括實現與未實現資本收益）撥款支付。投資者應注意，從資本撥款支付分派即代表從投資者原先投資基金之款額或該項原先投資應佔的任何資本增值退回或提取部分金額。因此，基金未來可用作投資的資本及資本增值或會減少。基金作出任何分派均可能導致每單位資產淨值即時下跌。此外，高分派收益並不表示總投資的正或高回報。

  貨幣對沖類別之分派金額及資產淨值可能受到貨幣對沖類別的計價貨幣與基金的基本貨幣之利率差異的不利影響，導致從資本撥款支付分派的金額增加，繼而使資本被侵蝕的程度較其他非對沖類別為高。
- **歐元區主權債務危機風險** – 本基金可能大量投資在歐元區。鑑於某些歐元區內若干國家（尤其是葡萄牙、愛爾蘭、意大利、希臘和西班牙）持續的財政狀況及對主權債務風險的憂慮，本基金於該地區的投資可能承受較高的波動、流通性、貨幣及違約風險。當任何歐元區國家發生任何不利信貸事件（例如主權信貸評級調低、債務違約等）或成員國退出歐元區，本基金的表現可能會顯著惡化。

How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	-	-	15.0	6.0	4.4	-1.6	7.4	10.6	-5.0	14.8

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- The Manager views "(mth) - USD class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Fund launch date: 2011
- Class launch date: 2011
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 如年內沒有顯示有關的業績表現，即代表當年沒有足夠數據用作提供業績表現之用。
- 經理人視「（每月派息）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：2011
- 單位類別成立日期：2011

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	N/A 不適用

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

摩根 資產管理

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.25% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.25%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- Composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager upon request and at the website am.jpmorgan.com/hk[1].
- Investors may obtain the past performance information of other classes offered to Hong Kong investors from am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。
- 最近12個月的分派成分（即從(i)可分派收入淨額及(ii)資本所派發的相對金額），可向經理人索取及於以下網頁查閱：am.jpmorgan.com/hk[1]。
- 投資者可於am.jpmorgan.com/hk[1]取得其他向香港投資者銷售的單位類別之過往業績資料。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

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PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Pacific Securities Fund
摩根太平洋證券基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	(acc) - USD class （累計）美元類別 1.63%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The class offered in Hong Kong is in US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別以美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class) （累計）類別 — 累計（收益將保留並撥作投資相應類別）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.
經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment policy of the Fund is to provide investors with long term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in the securities of companies in the Asia-Pacific region, including Japan, Australia and New Zealand.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

基金之投資政策為透過主要（即將其總資產淨值至少70%）投資於亞太區（包括日本、澳洲及新西蘭）企業之證券，為投資者提供長遠資本增值。

基金在任何行業可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。

基金可為投資目的而投資於衍生工具，例如遠期合約、期權、認股權證及期貨。

Issued by JPMorgan Funds (Asia) Ltd. 由摩根基金（亞洲）有限公司刊發

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

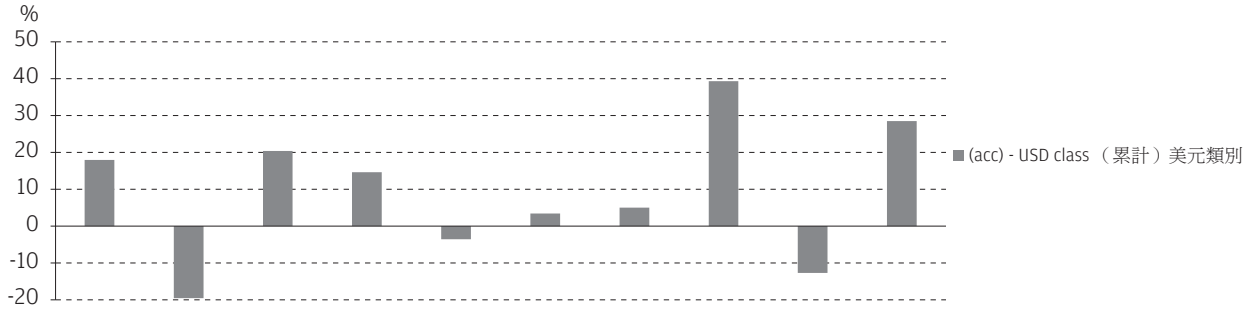
What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Emerging markets risk** – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Accounting, auditing and financial reporting standards in emerging markets may be less rigorous than international standards. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Fund's investments.
- **Concentration risk** – The Fund may concentrate its investments in the Asia- Pacific region, including Japan, Australia and New Zealand. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area.
- **Smaller companies risk** – The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes.
- **Risk associated with high volatility of the equity market in the Pacific region** – High market volatility and potential settlement difficulties in the markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Fund.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **投資風險** – 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** – 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **新興市場風險** – 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。新興市場的會計、審計及財務申報標準可能不如國際標準嚴格。國有化、徵用私產或充公性稅項、外匯管制、政治變動、政府規例、社會不穩定或外交發展均有可能對新興市場經濟或本基金之投資價值構成不利影響。
- **集中風險** – 本基金可能集中投資於亞太區（包括日本、澳洲及新西蘭）。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **小型公司風險** – 由於中小型公司的流通性較低、較容易受經濟狀況轉變影響，以及未來增長前景亦較為不確定，所以股價可能會較大型公司更為波動。
- **貨幣風險** – 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。

- **流通性風險** — 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。
- **與太平洋地區股市的較高波幅相關的風險** — 該等市場的較高市場波幅及潛在結算困難亦可能導致在該等市場交易的證券之價格出現大幅波動，因此可能對基金的價值造成不利影響。
- **衍生工具風險** — 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。

How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	18.0	-19.5	20.4	14.6	-3.6	3.4	5.0	39.3	-12.7	28.5

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views "(acc) - USD class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Fund launch date: 1978
- Class launch date: 1978
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（累計）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：1978
- 單位類別成立日期：1978

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

摩根 資產管理

- **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

  The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
  以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.5% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.5%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

- **Other fees 其他費用**

  The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
  本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_AAR047/DP/v15/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Pacific Technology Fund
摩根太平洋科技基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	(acc) - AUD (hedged) class （累計）澳元對沖類別 1.69%† (acc) - HKD class （累計）港元類別 1.69%† (acc) - SGD (hedged) class[1] （累計）新加坡元對沖類別[1] 1.69%† (acc) - USD class （累計）美元類別 1.69%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. [1] The class is distributed via selective distributors only. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。 [1] 此類別只由指定分銷商分銷。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The class offered in Hong Kong is in US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別以美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class) （累計）類別 — 累計（收益將保留並撥作投資相應類別）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.
經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment policy of the Fund is to provide long-term capital growth through a portfolio consisting primarily (i.e. at least 70% of its total net asset value) of securities of technology companies (including but not limited to companies related to technology, media and telecommunication) in the Pacific region, including Japan.

The Fund is not subject to any limitation on the market capitalisation of the companies in which it may invest.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

基金之投資政策為透過一個主要（即將其總資產淨值至少70%）投資於在太平洋地區（包括日本）之科技公司（包括但不限於與科技、媒體及電訊有關之公司）之證券之投資組合，為投資者提供長遠資本增值。

基金可投資的公司市值不受任何限制。

基金亦可為投資目的而投資於衍生工具，例如遠期合約、期權、認股權證及期貨。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.

本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Technology related companies risk** – The Fund may invest in technology related companies, which may fluctuate in value more than other funds and may be adversely impacted because of the greater potential volatility of share prices of technology related companies.
- **Emerging markets risk** – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Accounting, auditing and financial reporting standards in emerging markets may be less rigorous than international standards. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Fund's investments.
- **Concentration risk** – The Fund may concentrate its investments in the Pacific region (including Japan) and in a single industry or group of industries. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area and industry or group of industries.
- **Smaller companies risk** – The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies and the Fund may be adversely impacted, due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk and may be adversely impacted.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes. The performance of the Fund may therefore be adversely affected.
- **Risk associated with high volatility of the equity market in the Pacific region** – High market volatility and potential settlement difficulties in the markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Fund.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.

- **Class currency risk** – The Class Currency of each Class may be different from the Fund's base currency, the currencies of which the Fund's assets are invested and/or investors' base currencies of investment. If an investor converts its base currency of investment to the Class Currency in order to invest in a particular Class and subsequently converts the redemption proceeds from that Class Currency back to its original base currency of investment, the investor may suffer a loss due to the depreciation of the Class Currency against the original currency. For example, if an investor whose base currency of investment is Hong Kong dollars (i.e. not Australian dollars) and chooses to invest in the AUD Hedged Class, the investor may be exposed to a higher currency risk. The investor may suffer a higher loss as a result of exchange rate fluctuations between Hong Kong dollars and Australian dollars upon the reconversion of its Australian dollars investment back to Hong Kong dollars as compared to an investor whose base currency of investment is originally in Australian dollars.
- **Currency Hedged Classes risk** – Each Currency Hedged Class may hedge the Fund's denominated currency back to its currency of denomination, with an aim to provide a return on investment which correlates with the return of the Class of unit which is denominated in the base currency of the Fund. The costs and resultant profit or loss on the hedging transactions will be reflected in the net asset value per unit for the units of the relevant Currency Hedged Classes. The costs relating to such hedging transactions which may be significant depending on prevailing market conditions shall be borne by that Currency Hedged Class only.

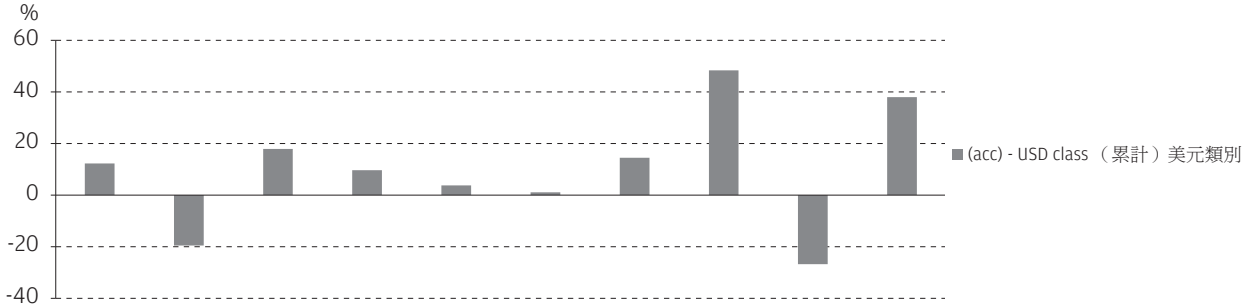
  The precise hedging strategy applied to a particular Currency Hedged Class may vary. In addition, there is no guarantee that the desired hedging instruments will be available or hedging strategy will achieve its desired result. In such circumstances, investors of the Currency Hedged Class may still be subject to the currency exchange risk on an unhedged basis (which means that, for example, if the hedging strategy in respect of the AUD Hedged Class is ineffective, depending on the exchange rate movements of AUD relative to the base currency of the Fund, and/or other currency(ies) of the non-AUD denominated underlying investment of the Fund, (i) investors may still suffer losses even if there are gains or no losses in the value of the non-AUD denominated underlying investments; or (ii) investors may suffer additional losses if the non-AUD denominated underlying investments of the Fund fall in value). If the counterparties of the instruments used for hedging purposes default, investors of the Currency Hedged Classes may be exposed to the currency exchange risk on an unhedged basis and may therefore suffer further losses. While the hedging strategy may protect investors of the Currency Hedged Classes against a decrease in the value of the Fund's base currency relative to the denominated currency of that Currency Hedged Class, the hedging strategy may substantially limit the benefits of any potential increase in the value of a Currency Hedged Class expressed in the Class currency, if the Currency Hedged Class' denominating currency falls against the base currency of the Fund.
- **投資風險** – 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** – 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **科技相關公司風險** – 本基金可能投資於科技相關公司，其價值可能較其他基金更為波動而可能需承受不利影響，因為科技相關公司股價的潛在波幅較大。
- **新興市場風險** – 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。新興市場的會計、審計及財務申報標準可能不如國際標準嚴格。國有化、徵用私產或充公性稅項、外匯管制、政治變動、政府規例、社會不穩定或外交發展均有可能對新興市場經濟或本基金之投資價值構成不利影響。
- **集中風險** – 本基金可能集中投資於太平洋地區（包括日本）及單一或一組界別之行業。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區及單一或一組界別之行業的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **小型公司風險** – 由於中小型公司的流通性較低、較容易受經濟狀況轉變影響，以及未來增長前景亦較為不確定，所以股價可能會較大型公司更為波動，而基金可能需承受不利影響。
- **貨幣風險** – 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險，並可能需承受不利影響。
- **流通性風險** – 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。基金之表現可能因而會受不利影響。
- **與太平洋地區股市的較高波幅相關的風險** – 該等市場的較高市場波幅及潛在結算困難亦可能導致在該等市場交易的證券之價格出現大幅波動，因此可能對基金的價值造成不利影響。
- **衍生工具風險** – 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。
- **類別貨幣風險** – 各類別之類別貨幣可能不同於基金之基本貨幣及其所投資的資產之貨幣及／或投資者之投資的基本貨幣。倘若投資者將其投資之基本貨幣轉換為類別貨幣以投資於一特定類別，及於其後將贖回所得由該類別貨幣轉換至其原有之投資基本貨幣，投資者可能因該類別貨幣對該原有貨幣貶值而蒙受損失。舉例而言，倘投資者之投資基本貨幣為港元（即非澳元）而選擇投資於澳元對沖類別，則該投資者可能承受較高的貨幣風險。與以澳元為原有之投資基本貨幣的投資者相比，該投資者可能因在將其澳元投資再轉換回港元時，港元與澳元之匯率波動而蒙受較高損失。

- **貨幣對沖類別風險** – 各貨幣對沖類別可將基金之計價貨幣對沖回其計價貨幣，旨在提供與以基金之基本貨幣計價的類別相關的投資回報。對沖交易的成本及所得盈虧將會反映於有關貨幣對沖類別單位之每單位資產淨值內。有關該等對沖交易的任何成本視乎當前市況而定可屬重大，將只由該貨幣對沖類別承擔。

  應用於某特定貨幣對沖類別之確切對沖策略或會不同。此外，概不保證能夠獲得預期的對沖工具或對沖策略將會達到預期效果。在該等情況下，貨幣對沖類別之投資者可能仍需承受未對沖之貨幣兌換風險（舉例而言，如人民幣對沖類別之對沖策略無效，視乎人民幣相對於基金的基本貨幣，及／或該基金的非人民幣計價相關資產的其他貨幣的匯率走勢而定：(i)即使非人民幣計價的相關資產的價值上有收益或並無虧損，投資者仍可能蒙受損失；或(ii)如基金的非人民幣計價相關資產的價值下跌，投資者可能蒙受額外損失）。倘若用作對沖目的之工具之交易對象違約，貨幣對沖類別的投資者可能承受未對沖的貨幣兌換風險及可能因此承受進一步損失。

  儘管對沖策略可能保護貨幣對沖類別的投資者免受基金的基本貨幣相對於貨幣對沖類別之計價貨幣之價值下跌所影響，惟倘若貨幣對沖類別之計價貨幣對基金之基本貨幣下跌，則該對沖策略可能大幅限制以類別貨幣列值的貨幣對沖類別之任何潛在升值的利益。

How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	12.3	-19.5	17.9	9.7	3.8	1.1	14.5	48.4	-26.8	38.0

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views "(acc) - USD class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Fund launch date: 1997
- Class launch date: 1997
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（累計）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：1997
- 單位類別成立日期：1997

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

摩根 資產管理

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.5% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.5%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

KFS_AEA403/DP/v19/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Philippine Fund
摩根菲律賓基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Sub-Manager 助理經理人：	JPMorgan Asset Management (Singapore) Ltd., Singapore (internal delegation) 新加坡（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	(acc) - USD class （累計）美元類別 1.87%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The class offered in Hong Kong is in US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別以美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class) （累計）類別 — 累計（收益將保留並撥作投資相應類別）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.
經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment policy of the Fund is to provide long-term capital growth through investment primarily (i.e. at least 70% of its total net asset value) in the equity securities of companies based or operating in the Philippines.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

基金之投資政策為透過主要（即將其總資產淨值至少70%）投資於以菲律賓為基地或在當地經營之公司之股票證券，為投資者提供長遠資本增長。

基金在任何行業可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。

基金亦可為投資目的而投資於衍生工具，例如遠期合約、期權、認股權證及期貨。

Issued by JPMorgan Funds (Asia) Ltd. 由摩根基金（亞洲）有限公司刊發

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

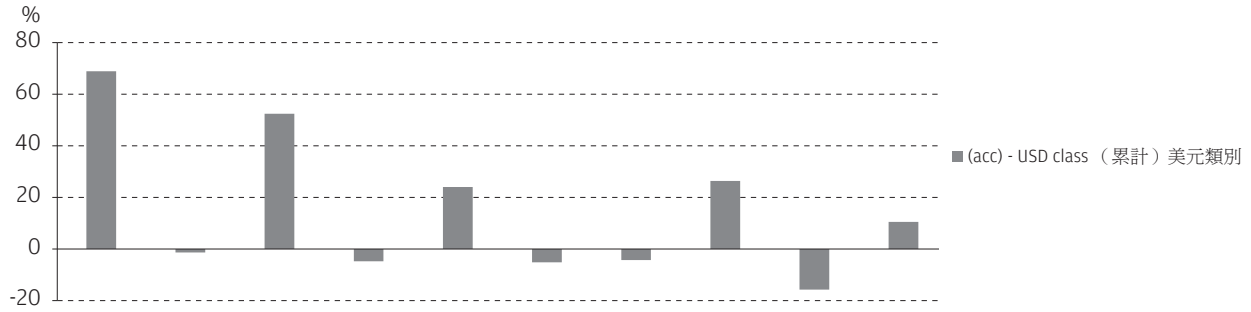
What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** - The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** - The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Emerging markets risk** - The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Accounting, auditing and financial reporting standards in emerging markets may be less rigorous than international standards. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Fund's investments.
- **Concentration risk** - The Fund may concentrate its investments in the Philippines. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area.
- **Smaller companies risk** - The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Currency risk** - The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Liquidity risk** - The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes.
- **Risk associated with high volatility of the equity markets in the Philippines** - High market volatility and potential settlement difficulties in the markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Fund.
- **Derivatives risk** - Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **投資風險** — 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** — 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **新興市場風險** — 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。新興市場的會計、審計及財務申報標準可能不如國際標準嚴格。國有化、徵用私產或充公性稅項、外匯管制、政治變動、政府規例、社會不穩定或外交發展均有可能對新興市場經濟或本基金之投資價值構成不利影響。
- **集中風險** — 本基金可能集中投資於菲律賓。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **小型公司風險** — 由於中小型公司的流通性較低、較容易受經濟狀況轉變影響，以及未來增長前景亦較為不確定，所以股價可能會較大型公司更為波動。
- **貨幣風險** — 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。

- **流通性風險** — 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。
- **與菲律賓股市的較高波幅相關的風險** — 該等市場的較高市場波幅及潛在結算困難亦可能導致在該等市場交易的證券之價格出現大幅波動，因此可能對基金的價值造成不利影響。
- **衍生工具風險** — 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。

How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	68.9	-1.4	52.5	-4.8	24.1	-5.1	-4.3	26.4	-15.7	10.5

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views "(acc) - USD class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Fund launch date: 1974
- Class launch date: 1974
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（累計）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：1974
- 單位類別成立日期：1974

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.5% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.5%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

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Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。

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KFS_AAR051/DP/v15/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Thailand Fund
摩根泰國基金

April 2020 ● 2020年4月

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***
- *本概要提供本基金的重要資料，*
- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Sub-Manager 助理經理人：	JPMorgan Asset Management (Singapore) Ltd., Singapore (internal delegation) 新加坡（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	(acc) - USD class （累計）美元類別 1.67%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The class offered in Hong Kong is in US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別以美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class) （累計）類別 — 累計（收益將保留並撥作投資相應類別）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.
經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment policy of the Fund is to provide investors with long-term capital appreciation through a portfolio consisting primarily (i.e. at least 70% of its total net asset value) of equity securities of companies based or operating principally in Thailand.

The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

基金之投資政策為透過主要（即將其總資產淨值至少70%）投資於在泰國上市或主要在當地經營之公司之股票證券之投資組合，為投資者提供長遠資本增值。

基金在任何行業可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。

基金亦可為投資目的而投資於衍生工具，例如遠期合約、期權、認股權證及期貨。

Issued by JPMorgan Funds (Asia) Ltd. 由摩根基金（亞洲）有限公司刊發

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** - The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** - The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Emerging markets risk** - The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Accounting, auditing and financial reporting standards in emerging markets may be less rigorous than international standards. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Fund's investments.
- **Concentration risk** - The Fund may concentrate its investments in Thailand. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area.
- **Smaller companies risk** - The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Currency risk** - The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Liquidity risk** - The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes.
- **Risk associated with high volatility of the equity markets in Thailand** - High market volatility and potential settlement difficulties in the markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Fund.
- **Derivatives risk** - Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **投資風險** — 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** — 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。
- **新興市場風險** — 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。新興市場的會計、審計及財務申報標準可能不如國際標準嚴格。國有化、徵用私產或充公性稅項、外匯管制、政治變動、政府規例、社會不穩定或外交發展均有可能對新興市場經濟或本基金之投資價值構成不利影響。
- **集中風險** — 本基金可能集中投資於泰國。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **小型公司風險** — 由於中小型公司的流通性較低、較容易受經濟狀況轉變影響，以及未來增長前景亦較為不確定，所以股價可能會較大型公司更為波動。

- **貨幣風險** — 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **流通性風險** — 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。
- **與泰國股市的較高波幅相關的風險** — 該等市場的較高市場波幅及潛在結算困難亦可能導致在該等市場交易的證券之價格出現大幅波動，因此可能對基金的價值造成不利影響。
- **衍生工具風險** — 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。

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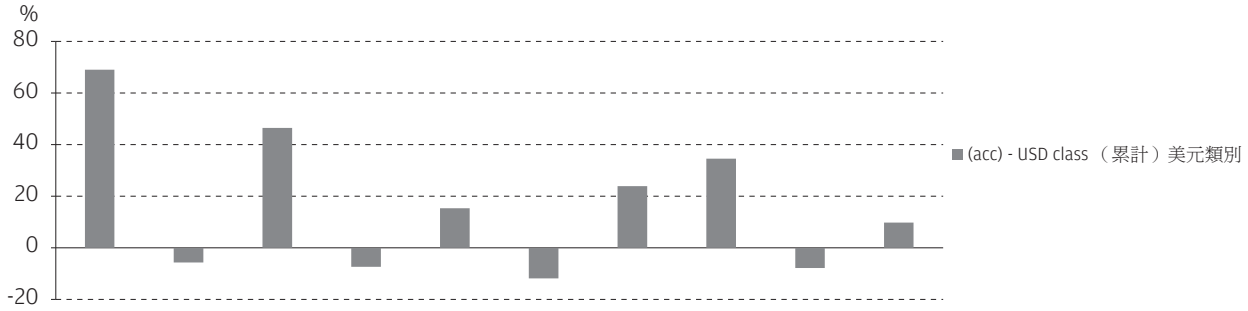

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摩根 資產管理

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

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KFS_AAR053/DP/v15/0420

PRODUCT KEY FACTS
產品資料概要

J.P.Morgan
Asset Management

JPMorgan Vietnam Opportunities Fund
摩根越南機會基金

April 2020 ● 2020年4月

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- *是銷售文件的一部分。*
- *請勿單憑本概要作投資決定。*

Quick facts 資料便覽

Manager 經理人：	JPMorgan Funds (Asia) Ltd. 摩根基金（亞洲）有限公司
Investment Manager 投資經理人：	JPMorgan Asset Management (Asia Pacific) Limited (formerly known as JF Asset Management Ltd.), Hong Kong (internal delegation) 摩根資產管理（亞太）有限公司（前稱JF資產管理有限公司），香港（同集團委任）
Sub-Manager 助理經理人：	JPMorgan Asset Management (Singapore) Ltd., Singapore (internal delegation) 新加坡（同集團委任）
Trustee 信託管理人：	HSBC Institutional Trust Services (Asia) Ltd. 滙豐機構信託服務（亞洲）有限公司
Ongoing charges over a year 全年經常性開支比率：	(acc) - USD class （累計）美元類別 1.73%† † The ongoing charges figure is based on expenses for the year ended 30 September 2019 and may vary from year to year. † 經常性開支比率是根據截至2019年9月30日的年度費用計算，每年均可能有所變動。
Dealing frequency 交易頻率：	Daily 每日
Base currency 基本貨幣：	USD (The class offered in Hong Kong is in US dollars). Please refer to the section "CLASSES OF UNITS" in the Explanatory Memorandum of the Fund for details. 美元（在香港銷售之類別以美元計價）。詳情請參閱本基金的基金說明書內之「單位類別」一節。
Dividend policy 派息政策：	(acc) class - Accumulative (income will be retained and reinvested within the corresponding class) （累計）類別 — 累計（收益將保留並撥作投資相應類別）
Financial year end 財政年度終結日：	30 September 9月30日
Minimum investment 最低投資額：	Lump-sum (same amount for initial/additional): USD2,000 or its equivalent in another currency Regular Investment Plan: HKD1,000 per month 整額（首次及其後每次相同）：2,000美元或其他貨幣之等值 定期投資計劃：每月1,000港元

The Manager may apply a different minimum lump sum investment and/or a different minimum monthly investment.
經理人可設定不同的最低整筆投資額及／或不同的最低每月投資額。

What is this product? 本基金是甚麼產品？

This is a fund constituted in the form of a unit trust under the laws of Hong Kong.
本基金是一個根據香港法律以單位信託形式組成的基金。

Objective and investment strategy 目標及投資策略

The investment objective of the Fund is to provide investors with long-term capital growth by investing primarily (i.e. at least 70% of its total net asset value) in equity securities of companies either (i) domiciled or listed on a stock exchange in Vietnam, or (ii) with actual or prospective operations, assets or investments, direct or indirect, in Vietnam in an aggregate amount of not less than either US$50 million or 10 per cent. of the gross assets of the investing company (albeit such operations, assets or investments may at the time of investment be immaterial to the financial results of such company).
The Fund is not subject to any limitation on the portion of its total net asset value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.
The Fund may also invest in derivatives such as forward contracts, options, warrants and futures for investment purposes.

Issued by JPMorgan Funds (Asia) Ltd. 由摩根基金（亞洲）有限公司刊發

基金的投資目標為透過主要（即將其總資產淨值至少70%）投資於以下公司之股票證券，以期為投資者提供長線資本增長：(i)於越南註冊成立或於越南之證券交易所上市之公司，或(ii)於越南直接或間接擁有合共不少於50,000,000美元或其總資產10%之實有或預期業務、資產或投資之公司（即使該等業務、資產或投資於作出投資之時對該公司之財務業績可能微不足道）。
基金在任何行業可投資的總資產淨值的比例不受任何限制，其可投資的公司市值亦不受任何限制。
基金亦可為投資目的而投資於衍生工具，例如遠期合約、期權、認股權證及期貨。

Use of derivatives 衍生工具的使用

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
本基金的衍生工具風險承擔淨額可最多達基金資產淨值的50%。

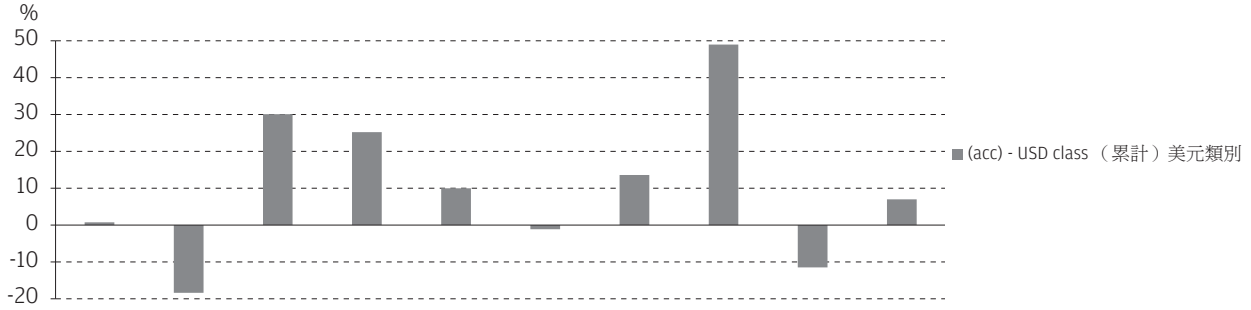
What are the KEY RISKS? 本基金有哪些主要風險？

Investment involves risk. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。請參閱銷售文件所載詳情，包括風險因素。

- **Investment risk** – The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Equity risk** – The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Fund's net asset value. When equity markets are extremely volatile, the Fund's net asset value may fluctuate substantially and the Fund could suffer substantial loss.
- **Emerging markets risk** – The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Accounting, auditing and financial reporting standards in emerging markets may be less rigorous than international standards. There is a possibility of nationalisation, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of emerging markets or the value of the Fund's investments.
- **Vietnam market risk** – Investments in Vietnam are currently exposed to risks pertaining to the Vietnamese market, including current investment ceiling limits, potential change of market mechanism and constraints currently imposed on trading of listed securities. These may contribute to the illiquidity of the Vietnamese securities market, create inflexibility and uncertainty on the trading environment.
- **Concentration risk** – The Fund may concentrate its investments in Vietnam. Investors should be aware that the Fund is likely to be more volatile than a more broadly diversified fund. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that geographic area.
- **Smaller companies risk** – The stock prices of small and medium-sized companies may tend to be more volatile than large-sized companies due to a lower degree of liquidity, greater sensitivity to changes in economic conditions and higher uncertainty over future growth prospects.
- **Currency risk** – The assets in which the Fund is invested and the income from the assets will or may be quoted in currency which are different from the Fund's base currency. The performance of the Fund will therefore be affected by changes in exchange rate controls and movements in the exchange rate between the currencies in which the assets are held and Fund's currency of denomination. Investors whose base currency is different (or not in a currency linked to the Fund's currency of denomination) may be exposed to additional currency risk.
- **Liquidity risk** – The Fund may invest in instruments where the volume of transactions may fluctuate significantly depending on market sentiment or which are traded infrequently or on comparatively small markets. There is a risk that investments made by the Fund are less liquid compared to more developed markets or may become less liquid in response to market developments or adverse investor perceptions, particularly in respect of larger transaction sizes.
- **Risk associated with high volatility of the equity markets in Vietnam** – High market volatility and potential settlement difficulties in the markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Fund.
- **Derivatives risk** – Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
- **投資風險** — 基金的投資組合之價值或會因以下任何主要風險因素而下跌，閣下於基金之投資或會因而蒙受損失。概無保證本金將獲償還。
- **股票風險** — 基金於股票證券之投資須承受一般市場風險，股票證券的價值或會因多項因素而波動，例如投資氣氛、政治及經濟狀況及發行人特定因素的變動。股票市場可能大幅波動，而股價可能急升急跌，並將直接影響基金的資產淨值。當股票市場極為反覆時，基金的資產淨值可能大幅波動，而基金可能需蒙受重大損失。

- **新興市場風險** – 基金投資於新興市場，或會涉及更高風險以及投資於較成熟的市場時一般不會涉及之特殊考慮因素，例如流通性風險、貨幣風險／管制、政治及經濟不明朗因素、法律及稅務風險、結算風險、託管風險，以及可能出現大幅波動。新興市場的會計、審計及財務申報標準可能不如國際標準嚴格。國有化、徵用私產或充公性稅項、外匯管制、政治變動、政府規例、社會不穩定或外交發展均有可能對新興市場經濟或本基金之投資價值構成不利影響。
- **越南市場風險** – 於越南之投資目前面對越南市場存在之風險。此等風險包括現時投資上限；市場機制潛在之轉變；及對買賣上市證券現時施加之限制。此等因素可致使越南證券市場不流通、交易環境不靈活及不明朗。
- **集中風險** – 本基金可能集中投資於越南。投資者應注意本基金相比更廣泛分散投資的基金較為波動。本基金的價值可能較容易受到影響該地區的不利經濟、政治、政策、外匯、流通性、稅務、法律或監管事件所影響。
- **小型公司風險** – 由於中小型公司的流通性較低、較容易受經濟狀況轉變影響，以及未來增長前景亦較為不確定，所以股價可能會較大型公司更為波動。
- **貨幣風險** – 本基金投資之資產及其收益將或可能以與本基金之基本貨幣不同之貨幣計價。因此，本基金之表現將受外匯管制變動及所持資產之貨幣兌本基金之結算貨幣之匯率變動所影響。基本貨幣有所不同（或並非與本基金之結算貨幣掛鈎之貨幣）之投資者可能會承受額外之貨幣風險。
- **流通性風險** – 本基金可投資於其交易量或會因市場情緒而顯著波動之工具，或不經常買賣或在相對較小的市場買賣的工具。本基金作出之投資或會面對流通性不及較成熟的市場之風險，或因應市場發展及投資者之相反看法而變得流通性不足之風險，特別是就較大規模的交易而言尤甚。
- **與越南股市的較高波幅相關的風險** – 該等市場的較高市場波幅及潛在結算困難亦可能導致在該等市場交易的證券之價格出現大幅波動，因此可能對基金的價值造成不利影響。
- **衍生工具風險** – 與衍生工具相關的風險包括交易對象／信貸風險、流通性風險、估值風險、波動風險及場外交易風險。衍生工具的槓桿元素／成分可能導致虧損大幅高於本基金投資於衍生工具的金額。投資於衍生工具可能導致本基金蒙受大幅虧損的高風險。

How has the fund performed? 本基金過往的業績表現如何？



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	0.7	-18.4	30.1	25.2	10.0	-1.1	13.6	49.0	-11.5	7.0

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the last valuation day of the calendar year, NAV to NAV, with dividend reinvested.
- These figures show by how much the class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views "(acc) - USD class" being the focus class available to retail investors in Hong Kong as the most appropriate representative class.
- Fund launch date: 2006
- Class launch date: 2006
- 過去業績資料並不代表將來表現。投資者未必能取回全部投資本金。
- 業績表現以曆年之最後一個估值日的資產淨值作為基礎，股息會滾存再作投資。
- 上述數據顯示單位類別價值在有關曆年內的升跌幅度。業績表現以美元計算，當中包括基金的經常性開支，但不包括基金可能向閣下收取的認購費及贖回費。
- 經理人視「（累計）美元類別」作為本基金可供香港零售投資者認購的核心單位類別為最合適的代表單位類別。
- 本基金成立日期：2006
- 單位類別成立日期：2006

摩根 資產管理

Is there any guarantee? 本基金有否提供保證？

This Fund does not provide any guarantees. You may not get back the full amount of money you invest.
本基金並不提供任何保證。閣下未必能取回全數投資本金。

What are the fees and charges? 投資本基金涉及哪些費用及收費？

◆ **Charges which may be payable by you‡ 閣下或須繳付的收費‡**

You may have to pay the following fees up to the rate listed below when dealing in the units of the Fund:
閣下買賣基金單位時或須繳付最高可達之費用如下：

Subscription fee (Initial charge) 認購費：	5.0% of NAV 資產淨值之5.0%
Switching fee 轉換費：	1.0% of NAV 資產淨值之1.0%
Redemption fee 贖回費：	Currently 0% (up to 0.5% of NAV) 現時為0%（最高可達資產淨值之0.5%）

‡ Please refer to the Explanatory Memorandum of the Fund for the calculation methodology of the relevant charges.
‡ 請參閱本基金的基金說明書，了解有關收費的計算方法。

◆ **Ongoing fees payable by the Fund 本基金須持續繳付的費用**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.
以下費用將從基金中扣除，閣下的投資回報將會因而減少。

Management fee 管理費：	1.5% of NAV p.a. (maximum 2.5%) 每年資產淨值之1.5%（最高可達2.5%）
Trustee fee 信託管理人費用：	0.025%-0.06% of NAV p.a. (maximum 0.2%; subject to the NAV) 每年資產淨值之0.025%-0.06%（最高可達0.2%；根據基金資產淨值）
Performance fee 表現費：	N/A 不適用
Administration fee 行政費：	N/A 不適用

◆ **Other fees 其他費用**

The Fund may charge other fees. Please refer to the 'FEES, CHARGES AND LIABILITIES' section in the Explanatory Memorandum of the Fund.
本基金或會收取其他費用。請參閱本基金的基金說明書內之「收費、開支及責任」一節。

Additional information 其他資料

- You generally buy, redeem or switch units at the Fund's next-determined net asset value after the Manager or Intermediaries receive your request in good order at or before 5.00pm (Hong Kong time) being the dealing cut-off time. The Manager or Intermediaries may impose different dealing deadlines for receiving requests from investors.
- The net asset value of this Fund is calculated and published on each "dealing day". They are available online at am.jpmorgan.com/hk[1].
- 在交易截止時間即下午5時正（香港時間）或之前由經理人或中介人收妥的單位認購、贖回及轉換要求，一般按基金隨後釐定的資產淨值執行。經理人或中介人設定的交易截止時間可能各有不同，投資者應注意提交要求的截止時間。
- 本基金在每一「交易日」計算及公布資產淨值。詳情請瀏覽am.jpmorgan.com/hk[1]。

[1] The website has not been reviewed by the SFC.
[1] 此網頁並未經證監會審閱。

Important 重要提示

If you are in doubt, you should seek professional advice.
The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.
閣下如有疑問，應諮詢專業意見。
證監會對本概要的內容並不承擔任何責任，對其準確性及完整性亦不作出任何陳述。

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