

# **FIRST STATE GLOBAL UMBRELLA FUND PLC**

**an umbrella fund with segregated liability between sub-funds**

**Arthur Cox Building**

**Earlsfort Terrace**

**Dublin 2**

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**This document is important and requires your immediate attention. If you are in any doubt as to the action you should take, you should seek advice from your investment consultant, tax adviser and/or legal adviser as appropriate.**

**If you have sold or transferred all of your Shares in First State Global Opportunities Fund of First State Global Umbrella Fund plc (the “Company”), please pass this document at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee as soon as possible.**

**Capitalised terms used herein shall bear the same meaning as capitalised terms used in the prospectus for the Company dated 19 June 2013 (the “Prospectus”). A copy of the Prospectus is available upon request during normal business hours from the registered office of the Company.**

**Please note that the Central Bank of Ireland has not reviewed this letter.**

6 December 2013

Dear Shareholder,

**Re: Proposed amendment to the investment policy of the First State Global Opportunities Fund**

**A. INTRODUCTION**

The Company is authorised by the Central Bank as a UCITS umbrella pursuant to the UCITS Regulations. The purpose of this letter is to notify Shareholders of an extraordinary general meeting (“EGM”) of the shareholders of the First State Global Opportunities Fund (the “Fund”) at which a resolution will be proposed to amend the investment policy of the Fund for Shareholders to consider and vote on.

**B. CHANGE TO INVESTMENT POLICY AND CHANGE OF SUB-INVESTMENT MANAGER OF THE FUND**

The Company’s Sub-Investment Manager, First State Investment Management (UK) Limited (“First State UK”), has reviewed its global equity investment funds to ensure that its global investment products are of sufficiently high quality and to consider which of its global equity funds is better positioned to deliver the right long-term outcomes to investors. Two global equity funds are currently being offered (the First State Worldwide Equity Fund and the First State Global Opportunities Fund) which are managed by two distinct teams within the First State group with different investment philosophies and processes. The Fund is managed by First State UK’s Global Equity Team and the First State Worldwide Equity Fund is managed by the First State Stewart Team, who also manage the First State group’s Asia Pacific and Global Emerging Markets equity funds.

As a result of this review, First State UK has taken the decision to migrate the management of all its global equity funds to one team, the First State Stewart Team. As a consequence of this change, the Global Equity Team will leave the First State group and will no longer be able to

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Registered Office: Arthur Cox Building, Earlsfort Terrace, Dublin 2

Registered Number: 288284

Directors: Peter Blessing, James Breyley (Australian); Hans Vogel (German), Michael Stapleton (Australian), Christian Turpin (British)  
First State Global Umbrella Fund PLC is regulated by the Central Bank of Ireland.

manage the Fund. As a result, the management of the Fund will transition to the First State Stewart Team.

The First State Stewart Team operates on a global basis and have portfolio managers based in Edinburgh, Hong Kong and Singapore. Upon the transition taking effect and conditional upon passing of the resolution to amend the Fund's investment policy (as discussed further below), First State Investments (Singapore) ("First State Singapore") will be appointed as Sub-Investment Manager of the Fund in place of First State UK with effect from 24 February 2014. Thereafter the Fund will be managed by the First State Stewart Team based in Singapore and who have the relevant investment expertise and resources to manage the Fund to its full potential having regard to the Fund's amended investment policy.

First State Singapore is currently the Sub-Investment Manager in respect of a number of other funds of the Company. It is a member of the First State group of companies, is incorporated and registered in Singapore and is also licensed and regulated by the Monetary Authority of Singapore.

Given that the Global Equity Team and First State Stewart Team are two distinct teams with different investment philosophies, investment strategies and processes, in order for the Fund to be managed to its full potential by the First State Stewart Team, it will be necessary to change the investment policy of the Fund to permit the Fund to focus on investment in the equity securities of larger capitalisation companies worldwide and to allow broader exposure to the equity securities of companies in Emerging Market Countries. Such changes will better align the Fund's investment policy with the investment expertise and stock selection process adopted by the First State Stewart Team at First State Singapore to whom the investment management is being transitioned.

It should be noted that as a consequence of this proposed change and, in particular the ability of the Fund to invest more than 30% of its net assets in the equity securities of issuers in Emerging Market Countries, the risk profile of the Fund is increased and Shareholders should note that the Emerging Market risk factor as detailed in the Prospectus will apply to the Fund. In particular, Shareholders should note that investments in securities of issuers located in emerging markets may be considered to be speculative in nature as they involve a greater than normal degree of risk and their market values may be expected to be of above average volatility. Such risks may include price movements, liquidity and volatility risk, currency risk, changes in social, political or economic policies, uncertainties with respect to taxation policies, etc. The custody risks and costs of holding securities are also generally higher in emerging markets.

The Fund currently has the flexibility to invest directly in China B Shares (up to 25% of the Fund's net asset value). It should be noted that, upon the change of the Fund's investment policy taking effect, the Fund will also be provided with the flexibility to invest indirectly in China A Shares (e.g. through equity linked or participation notes and collective investment schemes) such that the Fund's maximum exposure to China A Shares and China B shares will not exceed 25% of the Fund's net assets (on an aggregated basis). Shareholders should note that such investments may subject the Fund to additional risks associated with investing in the China markets, including liquidity and volatility risk, currency and repatriation risk, changes in social, political or economic policies, and uncertainties with respect to taxation policies.

Conditional upon the passing of the resolution to amend the Fund's investment policy, it is also intended to change the Fund's name from "First State Global Opportunities Fund" to "First State Worldwide Leaders Fund" to reflect the revised investment policy which is as follows:-

*“The Fund invests primarily in a diverse portfolio of equity securities of larger capitalisation companies which are listed, traded or dealt in on any of the Regulated Markets worldwide. Larger capitalisation companies are currently defined as companies with a minimum investible market cap (free float) of US\$3 billion at the time of investment. The Investment Manager may review this definition as considered appropriate.*

*In relation to the term Leaders, this indicates the Fund will not invest in securities of small capitalisation companies. Small capitalisation companies are currently defined as companies with a minimum investible market cap (free float) of less than US\$1 billion at the time of investment.*

*The Fund is not managed to a benchmark and may have exposure to developed or Emerging Markets whilst maintaining its geographical diversity. The Fund may invest in any industry.”*

Accordingly, Shareholders should note that pursuant to the revised investment policy, the Fund will normally invest at least 70% of its net assets in equity securities of larger capitalisation companies as defined above.

Apart from the changes as mentioned above, the existing investment limits in respect of the use of financial derivative instruments and the scope and extent of ancillary investments applicable to Equity Funds will continue to apply to the Fund upon the change taking effect.

The above changes will not result in any change in the fees (including investment management fees in respect of the existing share classes) and expenses borne by the Company or the Shareholders.

It is intended that the “Class III” class of the Fund shall be renamed to “Class III (G)”, and Shares in this class will no longer be offer for subscription other than to existing Shareholders of the Fund listed in the register as of the date of the supplement to the Prospectus which is to be issued in connection with the changes outlined in this letter. Shareholders should note that other than the proposed renaming of “Class III” to “Class III (G)” no other changes will be made to this share class. A new share class, Class III, shall be created in the Fund which is to be offered to both existing and new retail investors and details of this new share class shall be included in the supplement to the Prospectus.

#### **C. NOTICE OF MEETING TO CONSIDER AND VOTE ON THE PROPOSED CHANGE TO THE INVESTMENT POLICY**

The board of directors of the Company (the “Directors”) has decided to convene an EGM of the Fund at which a resolution to approve the proposed change of investment policy will be proposed. You will find enclosed a notice of EGM which will be held at the offices of Bradwell Limited, Arthur Cox Building, Earlsfort Terrace, Dublin 2, Ireland on 13 January 2014 at 9:00 a.m. (Irish time). The exact form of wording of the proposed change to the investment policy of the Fund is also set out in the Notice of EGM. The proposed change to the investment policy can only be made with the approval of a simple majority of votes cast by Shareholders attending and voting in person or by proxy at the EGM at which the resolution is proposed.

If there is no quorum present at the first meeting, then the EGM will be adjourned until the same day/time the following week.

Subject to Shareholder approval being obtained, this change will take effect from the date of issuance of a supplement to the Prospectus reflecting the change in the investment policy and the change of name. This is expected to occur in or around 24 February 2014 (the “Effective Date”).

If Shareholder approval is not obtained, the First State Stewart Team will not be in a position to manage the Fund to its full potential based on the Fund’s current investment policy. In such circumstances the Directors believe it would not be in the best interests of the Shareholders to continue the Fund and appropriate action will be commenced to terminate the Fund in accordance with the Company’s offering and constitutive documents, subject to appropriate regulatory approval having been obtained and prior notice issued to Shareholders. In the event such action becomes necessary, the Fund will continue to be managed by the existing Sub-Investment Manager in accordance with its current investment policy prior to its termination.

#### **D. PROXY FORM**

The form of proxy accompanying the notice of the EGM enclosed with this letter should be completed and returned in accordance with the instructions thereon, so as to be received by the Company Secretary of the Company, for the attention of Ms. Grainne O’Reilly at Bradwell Limited, Arthur Cox Building, Earlsfort Terrace, Dublin 2, Ireland or by email to [grainne.oreilly@arthurcox.com](mailto:grainne.oreilly@arthurcox.com) or by fax to +353 1 618 0618 as soon as possible and in any event, not later than 48 hours before the time fixed for the holding of the EGM. Completion and return of a form of proxy will not preclude a Shareholder from attending and voting in person at the EGM.

#### **E. REDEMPTION OF SHARES**

Shareholders who do not wish to remain in the Fund following the implementation of the proposed change (if the resolution is passed) will have the opportunity to redeem their Shares free of charge on any Dealing Day prior to the Effective Date under the normal redemption procedures as set out in the Prospectus.

#### **F. CONCLUSION**

Having regard to the issues discussed above and the proposal to appoint First State Singapore as Sub-Investment Manager of the Fund, the Directors believe it is in the best interests of the Fund to amend the investment policy and recommend that Shareholders vote in favour of the resolution at the EGM. Should you have any questions relating to these matters, you should either contact us at the above address or alternatively you should contact your investment consultant, tax adviser and/or legal adviser as appropriate.

Additionally, if Shareholders have any questions relating to the above matters then:

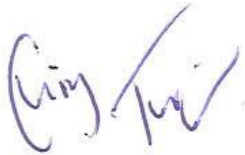
Hong Kong Shareholders may also contact:

- the Investment Manager’s Investor Services Hotline on +852 2846 7566, fax +852 2868 4742, telephone calls may be recorded for your security;
- by email: [info@firststate.com.hk](mailto:info@firststate.com.hk);
- or in writing: Hong Kong Representative, First State Investments (Hong Kong) Limited, at 6th Floor, Three Exchange Square, Central, Hong Kong.

UK Shareholders may also contact the:

- Client Services Team via the following means:
- by telephone: from the UK (0800 587 4141) and from abroad (+44 131 525 8870), telephone calls may be recorded for your security;
- by email: [enquiries@firststate.co.uk](mailto:enquiries@firststate.co.uk);
- or in writing: Client Services, 23 St Andrew Square, Edinburgh EH2 1BB.
- or by contacting your usual First State representative.

Yours sincerely,



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Director  
For and on behalf of  
First State Global Umbrella Fund plc