

IMPORTANT: This letter is important and requires your immediate attention. If you have any questions about the content of this letter, please seek independent professional advice.

12 December 2019

Dear Investor,

JPMorgan Australia Fund

We are writing to inform you about the following changes in relation to JPMorgan Australia Fund (the “**Fund**”), which will take effect on 13 January 2020 (the “**Effective Date**”).

(1) Amendment to the investment policy of the Fund

The existing investment policy of the Fund is to provide investors with long term capital growth by investing primarily in Australian securities. After reviewing the existing investment policy of the Fund and the general market conditions, the Manager has decided that, on and from the Effective Date, the investment policy of the Fund will be amended to further provide that 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 will be subject to 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.

(2) Reduction of management fee

As a result of the amendment to the investment policy described above, the management fee applicable to the Fund will be reduced from 1.50% per annum of the net asset value of the relevant

Class to 0.75% per annum of the net asset value of the relevant Class on and from the Effective Date.

Save as disclosed above, there will be no implications on the features and risks applicable to the Fund or change in the operation and/or manner in which the Fund is being managed or change in the fee level/cost in managing the Fund. The above changes will not materially prejudice the interests of existing investors of the Fund.

The legal and other administrative costs associated with the changes above, estimated to be approximately USD 22,900, will be borne by the Fund.

If, as a consequence of the changes above, you wish to redeem or switch your holding in the Fund into any other funds which are managed by JPMorgan Funds (Asia) Limited or for which it acts as Hong Kong representative¹ and which are authorised by the Securities and Futures Commission (“SFC”) for sale to the public in Hong Kong, you may do so free of charge during the waiver period between 12 December 2019 and 10 January 2020². Details of such funds (including the relevant offering documents) can be found on our website am.jpmorgan.com/hk³. SFC authorisation is not a recommendation or endorsement of a fund nor does it guarantee the commercial merits of a 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 current offering document of the Fund is available free of charge upon request during normal working hours at the registered office of JPMorgan Funds (Asia) Limited⁴, and on our website am.jpmorgan.com/hk³. The updated offering document reflecting the changes set out above will be available on or after the Effective Date.

The Manager of the Fund accepts responsibility for the accuracy of the content of this letter.

If you have any questions with regard to the content of this letter or any other aspect of the Fund, please do not hesitate to contact:

- your bank or financial adviser;
- your designated client adviser, account manager, pension scheme trustee or administrator;
- our Intermediary Clients’ Hotline on (852) 2265 1000;
- our distributor hotline on (852) 2978 7788; or
- if you normally deal directly with us, our J.P. Morgan Funds InvestorLine on (852) 2265 1188.

Yours faithfully,
For and on behalf of
JPMorgan Funds (Asia) Limited



Edwin TK Chan
Director

¹ Please note that, as provided in the relevant offering documents of the funds, the manager or the Hong Kong representative (as applicable) of each such fund has the discretion to accept or reject in whole or in part any application for units or shares (as the case may be) in the fund.

² Please note that although we will not impose any charges in respect of your redemption/switching instructions, your bank, distributor or financial adviser may charge you redemption/switching and/or transaction fees and may impose different dealing arrangements. You are advised to contact your bank, distributor or financial adviser should you have any questions.

³ The website has not been reviewed by the SFC.

⁴ The registered office of JPMorgan Funds (Asia) Limited is located at 21st Floor, Chater House, 8 Connaught Road Central, Hong Kong.

重要資料：務請即時細閱本重要函件。如閣下對本函件的內容有任何疑問，應尋求獨立專業意見。

敬啟者：

摩根澳洲基金

此函旨在告知閣下有關摩根澳洲基金（「**本基金**」）的以下變動，由2020年1月13日（「**生效日期**」）起生效。

(1) 修訂本基金的投資政策

本基金的現有投資政策為透過主要投資於澳洲之證券市場，為投資者提供長遠資本增值。經檢視本基金的現有投資政策及整體市況後，經理人決定由生效日期（包括該日在內）起，本基金的投資政策將作出修訂，以進一步規定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）。

本基金可能承受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。

(2) 調低管理費

由於投資政策作出上述修訂，由生效日期（包括該日在內）起，適用於本基金的管理費將由每年相關類別資產淨值之1.50%降為每年相關類別資產淨值之0.75%。

除上文所披露者外，適用於本基金的特徵及風險不會受到任何影響，本基金的運作及／或管理方式或管理本基金的費用水平／成本亦不會發生任何改變。上述變更將不會對本基金現有投資者的利益造成重大損害。

與上述變更相關的法律及其他行政成本估計約為22,900美元，將由本基金承擔。

如鑑於上述變更，閣下希望贖回所持本基金之單位或將其轉換至任何由摩根基金（亞洲）有限公司管理或作為香港代表¹，並獲證券及期貨事務監察委員會（「證監會」）認可售予香港公眾之其他基金，閣下可由2019年12月12日起至2020年1月10日之豁免期內免費進行²。該等基金之詳細資料（包括有關銷售文件）於本公司網頁am.jpmorgan.com/hk³可供索閱。證監會的認可並不代表其對基金的推介或認許，亦不保證基金之商業利弊或其表現。證監會的認可不表示計劃適合所有投資者或認許計劃適合任何個別投資者或投資者類別。

閣下可於一般辦公時間內於摩根基金（亞洲）有限公司之註冊辦事處⁴，以及瀏覽本公司網頁am.jpmorgan.com/hk³免費索取本基金現行的銷售文件。反映上文所載變更的經更新銷售文件將於生效日期或之後提供。

本基金的經理人就本函件內容之準確性承擔責任。

如閣下對本函件的內容或本基金任何其他方面有任何疑問，請聯絡：

- 閣下的銀行或財務顧問；
- 閣下指定的客戶顧問、客戶經理、退休金計劃受託人或行政管理人；
- 本公司的代理客戶服務熱線（852）2265 1000；
- 本公司的分銷商服務熱線（852）2978 7788；或
- 如閣下通常直接與我們聯絡，請致電摩根基金理財專線（852）2265 1188。

摩根基金（亞洲）有限公司



董事
陳俊祺
謹啟

2019年12月12日

¹ 謹請留意，誠如基金的相關銷售文件所訂明，各有關基金的經理人或香港代表（取適用者）可酌情決定接納或拒絕基金單位或股份（視情況而定）的全部或部分認購申請。

² 謹請留意，儘管我們並不對閣下的贖回／轉換指示收取任何費用，但閣下之銀行、分銷商或財務顧問或會向閣下收取贖回／轉換及／或交易費，以及實施不同的交易安排。如閣下有任何疑問，應聯絡閣下之銀行、分銷商或財務顧問。

³ 此網頁並未經證監會審閱。

⁴ 摩根基金（亞洲）有限公司之註冊辦事處位於香港中環干諾道中8號遮打大廈21樓。