

First State Umbrella Funds (the “Trust”) – First State Asian Bridge Fund (the “Fund”)

NOTICE TO UNITHOLDERS

Date: 21 July 2020

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.

Unless otherwise defined herein, all capitalised terms used herein shall bear the same meaning as capitalised terms used in the latest Explanatory Memorandum of the Fund dated 16 December 2019, as may be amended from time to time (the “Explanatory Memorandum”).

The Manager of the Fund accepts responsibility for the accuracy of the information contained in this document. To the best of the knowledge and belief of the Manager (who has taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Dear Unitholders,

We are writing to you as an investor in the Fund to inform you of the following changes to the Trust and the Fund, which are expected to occur on or about 22 September 2020 (the “**Effective Date**”) unless otherwise stated below.

A. Rebrand to First Sentier Investors

First State Investments is rebranding to First Sentier Investors in September 2020.

The brand change is part of a global re-branding program which began in 2019 after First State Investments (Colonial First State Global Asset Management in Australia) was acquired by Mitsubishi UFJ Trust and Banking Corporation (MUTB), a wholly-owned subsidiary of Mitsubishi UFJ Financial Group, Inc. (MUFG). At that time, First State Investments decided to progress towards a single corporate global brand name in all markets.

For the past 6 months, First State Investments has been operating as First Sentier Investors in Australia and will now progressively move to that name across all global markets, with a final transition date scheduled for September 2020.

There will be no change to our investment teams or the way our funds are managed. This is a corporate brand name change only to allow us the benefit of operating as a unified global business.

The name First Sentier Investors was chosen as it reflects our heritage and our ongoing purpose. The word ‘First’ allows us to keep a reference to our strong and successful heritage, while the word ‘Sentier’ means path which reflects commitment to investing responsibly over the long term for the benefit of our clients and the communities in which we invest.

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Accordingly, the name of the Manager will change from “First State Investments (Hong Kong) Limited” to “First Sentier Investors (Hong Kong) Limited”. The existing website will also change from www.firststateinvestments.com to www.firstsentierinvestors.com¹.

In addition, the name of the Trust will change from “First State Umbrella Funds” to “First Sentier Investors Umbrella Funds” and the name of the Fund will change from “First State Asian Bridge Fund” to “First Sentier Asian Bridge Fund”.

The rebranding and the consequential name changes to the Manager, the Trust and the Fund have no material impact on you as a Unitholder in the Fund.

The Trust Deed of the Trust, the Explanatory Memorandum and the Product Key Facts Statement (the “KFS”) of the Fund will be amended to reflect the above name changes.

B. Direct investment in China A Shares via the RQFII

Currently, it is disclosed in the Explanatory Memorandum that the Manager is in the process of applying for the RQFII licence for the Fund’s direct investment in China A Shares via the RQFII.

On 13 May 2020, the Manager obtained the RQFII status such that the Fund may directly invest in China A Shares and other eligible securities and futures via the RQFII. The Fund’s maximum exposure to China A Shares is subject to the existing limit of less than 30% of its Net Asset Value, which may be gained directly via the RQFII, the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect and indirectly via access products such as equity linked or participation notes issued by institutions that have obtained the QFII or RQFII status or through investing in collective investment schemes that invest in China A Shares.

In addition, the risks associated with investment in China A Shares via the RQFII in the Explanatory Memorandum will be updated to reflect the changes in the applicable PRC rules and regulations in respect of the RQFII regime, including but not limited to the removal of the restrictions on investment quota and simplification of the administrative requirements on the remittance and repatriation of funds as well as currency exchanges by foreign institutional investors.

C. Increase in the maximum limit of investment in onshore debt securities in the PRC via the Bond Connect

Currently, the Fund may invest up to 10% of its Net Asset Value in onshore debt securities in the People’s Republic of China (“PRC”) via the Bond Connect. On or around 22 September 2020, such maximum limit will be changed to “less than 30%” of the Fund’s Net Asset Value. The Fund’s investment policy in the Explanatory Memorandum and the KFS will be revised accordingly.

After the increase in the aforesaid maximum limit, the Fund will continue to be subject to the risks associated with investment in onshore debt securities in the PRC via the Bond Connect as disclosed under “B4. Risks associated with investments via Bond Connect” in the Explanatory Memorandum.

¹ This website has not been reviewed or authorised by the Securities and Futures Commission.

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D. Increase in trustee fee

The current rate of the trustee fee is 0.05% per annum of the Fund’s Net Asset Value, subject to a maximum fee of 1.0% per annum as provided in the Trust Deed and the Explanatory Memorandum.

On or around 22 October 2020, the Trustee will increase the trustee fee for the Fund by an additional fixed fee of US\$4,000 per annum in relation to the performance of its duties to the Fund. For the avoidance of doubt, the aggregate fees payable to the Trustee will continue to be subject to a maximum fee of 1.0% per annum of the Fund’s Net Asset Value.

E. Other miscellaneous updates

The Explanatory Memorandum will also be amended to reflect other miscellaneous updates as summarised below:

- (i) change of the directors of the Manager;
- (ii) general updates and enhancement of the tax disclosure; and
- (iii) other miscellaneous, clarificatory, administrative and editorial amendments.

F. Availability of Updated Documents

The revised Explanatory Memorandum, KFS of the Fund and Trust Deed (by way of the sixth supplemental deed) of the Trust incorporating the above changes will be available on or around the Effective Date at the office of the Manager at Level 25, One Exchange Square, 8 Connaught Place, Central, Hong Kong. The Chinese version of the revised Explanatory Memorandum and KFS will also be available at the same address.

G. Further Enquiries

Should you have any questions relating to the above matters, please contact us on the Manager’s Investor Services Hotline on +852 2846 7566, fax +852 2868 4742 or alternatively contact your investment consultant.

Yours faithfully



For and on behalf of
First State Investments (Hong Kong) Limited