

**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.**

30 April 2019

Dear Investor,

**Merger of JPMorgan Japan Smaller Company (Yen) Fund into JPMorgan Japan (Yen) Fund**

We refer to our notice dated 4 March 2019 (the “Notice”), notifying you of the adjourned general meeting of unitholders for JPMorgan Japan Smaller Company (Yen) Fund (the “Terminating Fund”) held on 9 April 2019 in which the proposed merger (the “Merger”) of the Terminating Fund into JPMorgan Japan (Yen) Fund (the “Receiving Fund”) was considered. Please be informed that the resolution relating to the proposed Merger was passed in the said adjourned general meeting and as a result, the Terminating Fund will merge into the Receiving Fund on 14 June 2019 (the “Merger Date”).

As specified in the Notice, units held by unitholders in the Terminating Fund, including those units invested through the Regular Investment Plan<sup>1</sup>, eScheduler<sup>2</sup> and pension schemes, will be exchanged for units in the Receiving Fund on the Merger Date.

The contract notes for the disposal of units in the Terminating Fund and the issue of units in the Receiving Fund will be issued as soon as practicable after the Merger Date. Unitholders should note that the net asset value per unit of the Terminating Fund and the Receiving Fund on the Merger Date may not necessarily be the same. Therefore, while the overall value of your holding (except for rounding adjustments, if any) will remain the same, you may receive a different number of units in the Receiving Fund from what you previously held in the Terminating Fund.

Redemption and switching from the Terminating Fund will cease after 6 June 2019, 5:00 p.m. (Hong Kong time). Investment from existing investors through Regular Investment Plan, eScheduler and pension schemes will still be permissible (insofar as there is no increase in the scheduled contribution amount) until 6 June 2019. If you do not wish to hold units in the Receiving Fund after the Merger Date, we are pleased to offer you the opportunity to switch your current holding in the Terminating Fund, free of charge, into any other funds which are managed by JPMorgan Funds (Asia) Limited (the “Manager”) or for which it acts as Hong Kong representative<sup>3</sup> and are authorised by the Securities and Futures Commission (“SFC”)<sup>4</sup>, provided that we receive your switching instruction up to and including 6 June 2019, 5:00 p.m. (Hong Kong time)<sup>5</sup>. The details of these funds (including the relevant offering documents) can be found on our website [www.jpmmorganam.com.hk](http://www.jpmmorganam.com.hk)<sup>6</sup>.

<sup>1</sup> If you invest through a bank, distributor or financial adviser, please note that the arrangement of your Regular Investment Plan may be different. You are advised to contact your bank, distributor or financial adviser should you have any questions.

<sup>2</sup> The eScheduler is only available to clients dealing via J.P. Morgan eTrading platform in Hong Kong.

<sup>3</sup> 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.

<sup>4</sup> SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

<sup>5</sup> Please note that although we will not impose any charges in respect of your switching instructions, your bank, distributor, financial adviser or pension scheme trustee or administrator may charge you switching and/or transaction fees and may impose different dealing arrangements. You are advised to contact your bank, distributor or financial adviser, pension scheme trustee or administrator should you have any questions.

<sup>6</sup> This website has not been reviewed by the SFC.

If you would prefer to redeem your holding in the Terminating Fund, you may do so up to and including 6 June 2019, 5:00 p.m. (Hong Kong time), free of charge<sup>7</sup>.

The Merger will have no Hong Kong profits tax implications to the Terminating Fund or the Receiving Fund. Unitholders of the Terminating Fund should note that the exchange of units in the Terminating Fund for units in the Receiving Fund pursuant to the Merger may be considered as a disposal of the units in the Terminating Fund for tax purposes and any gains derived may be subject to tax. Generally, unitholders will not be liable to Hong Kong profits tax on gains realised on the disposal of units, except where the acquisition and disposal of units are or form part of a trade, profession or business carried on by the unitholders in Hong Kong and the gains are revenue in nature for Hong Kong profits tax purposes. The classification of a gain as revenue or capital will depend on the particular circumstances of the unitholders. The Terminating Fund is treated as a “special category transparent offshore fund” for United Kingdom (the “UK”) tax purposes and the exchange of units in the Terminating Fund may be a taxable event for UK capital gain purposes for UK tax resident unitholders unless exemption approval is received from the UK tax authorities with respect to the Merger. The Manager intends to apply for this exemption approval but cannot guarantee that it will be issued. The outcome of this approval will be included in the UK Tax Vouchers to be sent to investors of the Terminating Fund. Unitholders should take advice from their own professional advisors as to their particular tax position.

Copies of the JPMorgan Funds (Unit Trust Range) Explanatory Memoranda dated October 2016, as amended from time to time (the “Consolidated Explanatory Memoranda”), trust deeds, base terms, and any other documents of the Terminating Fund and the Receiving Fund set out under the section entitled “Documents Available for Inspection” in the Consolidated Explanatory Memoranda, are available for inspection free of charge during normal working hours at the offices of the Manager<sup>8</sup>.

The Manager 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 Terminating 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

<sup>7</sup> Please note that although we will not impose any charges in respect of your redemption instructions, your bank, distributor, financial adviser or pension scheme trustee or administrator may charge you redemption and/or transaction fees. You are advised to contact your bank, distributor or financial adviser, pension scheme trustee or administrator should you have any questions.

<sup>8</sup> The registered office of the Manager 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。如閣下對本函件的内容有任何疑問，應尋求獨立專業意見。**

敬啟者：

### 摩根日本小型企業（日圓）基金併入摩根日本（日圓）基金

謹此提述日期為2019年3月4日的通告（「通告」），當中告知閣下於2019年4月9日召開摩根日本小型企業（日圓）基金（「終止基金」）之單位持有人大會續會，會上已考慮終止基金併入摩根日本（日圓）基金（「接收基金」）（「合併」）之建議。謹此告知閣下，有關合併建議之決議案於所述續會上獲得通過，因此，終止基金將於2019年6月14日（「合併日」）併入接收基金。

如通告所詳載，單位持有人持有之終止基金單位（包括經定期投資計劃<sup>1</sup>、「eScheduler」<sup>2</sup>及退休金計劃投資而持有之單位）將於合併日轉換為接收基金單位。

出售終止基金單位及發行接收基金單位之交易通知書將於合併日後在實際可行範圍內盡快發出。單位持有人應注意，終止基金之每單位資產淨值與接收基金之每單位資產淨值於合併日未必相同。因此，儘管閣下持有之總值（除因調整產生的數額（如有）外）將維持相同，但閣下可獲得之接收基金的單位數目或不同於閣下先前持有之終止基金的單位數目。

終止基金的贖回及轉出將於2019年6月6日下午5時正（香港時間）後終止。現有投資者仍可經定期投資計劃、「eScheduler」及退休金計劃進行投資（但不可增加定期供款金額），直至2019年6月6日止。倘閣下於合併日後不願持有接收基金單位，本公司欣然為閣下提供免費轉換的機會：閣下可藉此機會免費將目前所持的終止基金單位轉換至由摩根基金（亞洲）有限公司（「經理人」）管理或由經理人擔任香港代表<sup>3</sup>，並獲證券及期貨事務監察委員會（「證監會」）認可<sup>4</sup>之任何其他基金，惟閣下之轉換指示須在2019年6月6日下午5時正（香港時間）（包括該日在內）或之前送達本公司<sup>5</sup>。該等基金之詳細資料（包括有關銷售文件）於本公司之網址[www.jpmorganam.com.hk](http://www.jpmorganam.com.hk)<sup>6</sup>可供索閱。

<sup>1</sup> 倘若閣下透過銀行、分銷商或財務顧問進行投資，謹請留意，閣下的定期投資計劃之安排可能有所不同。如閣下有任何疑問，請聯絡閣下的銀行、分銷商或財務顧問。

<sup>2</sup> 「eScheduler」僅供透過摩根網上交易平台在香港進行交易的客戶使用。

<sup>3</sup> 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。

<sup>4</sup> 證監會的認可並不代表其對計劃的推介或認可，亦不保證計劃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可計劃適合任何個別投資者或投資者類別。

<sup>5</sup> 謹請留意，儘管我們並不對閣下的轉換指示收取任何費用，但閣下之銀行、分銷商、財務顧問或退休金計劃受託人或行政管理人或會向閣下收取轉換及／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、退休金計劃受託人或行政管理人。

<sup>6</sup> 此網頁並未經證監會審閱。

若閣下希望贖回所持之終止基金單位，亦可於2019年6月6日下午5時正（香港時間）（包括該日在內）或之前免費辦理有關手續<sup>7</sup>。

合併將不會對終止基金或接收基金產生香港利得稅後果。終止基金的單位持有人應注意，根據合併將終止基金單位轉換為接收基金單位就稅務而言可能被視為出售終止基金單位，而產生的任何增值或須繳稅。一般而言，單位持有人毋須就出售單位所得增值繳納香港利得稅；惟如單位之購入或出售會成為或構成單位持有人在香港進行貿易、專業或業務之一部分，而該等增值就香港利得稅而言乃屬收入性質，則作別論。有關增值之分類（即收入或資本性質）則視乎單位持有人之個別情況而定。就英國稅務而言，終止基金被視為「特殊類型透明境外基金」，而就英國稅務居民單位持有人而言，轉換終止基金單位在英國資本增值方面可能屬應課稅事件，除非就合併取得英國稅務機關的豁免批准則除外。經理人擬申請該項豁免批准，但並不保證會獲得有關批准。該項批准的結果將載入向終止基金投資者發出的適用於申報英國稅的年結單內。單位持有人應就其特定稅務狀況而向本身之專業顧問徵詢意見。

摩根基金（單位信託系列）之2016年10月基金說明書（經不時修訂）（「綜合基金說明書」）、信託契約、基礎條款及於綜合基金說明書內「可供查閱之文件」一節所載有關終止基金及接收基金的任何其他文件的副本於正常辦公時間內在經理人的辦事處<sup>8</sup>可供免費查閱。

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終止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4月30日

<sup>7</sup> 謹請留意，儘管我們並不對閣下的贖回指示收取任何費用，但閣下之銀行、分銷商、財務顧問或退休金計劃受託人或行政管理人或會向閣下收取贖回及／或交易費。如閣下有任何疑問，應聯絡閣下之銀行、分銷商或財務顧問、退休金計劃受託人或行政管理人。

<sup>8</sup> 經理人之註冊辦事處位於香港中環干諾道中8號遮打大廈21樓。