

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

Terms otherwise not defined in this letter will have the same meaning as those defined in the Explanatory Memorandum of the Trusts.

27 March 2025

Dear Investor,

**JPMorgan SAR American Fund / JPMorgan SAR Asian Bond Fund /  
JPMorgan SAR Asian Fund / JPMorgan SAR China A-Shares Fund /  
JPMorgan SAR European Fund / JPMorgan SAR Global Bond Fund /  
JPMorgan SAR Greater China Fund / JPMorgan SAR HK\$ Bond Fund /  
JPMorgan SAR Hong Kong Fund / JPMorgan SAR Investment Grade Corporate Bond Fund /  
JPMorgan SAR Japan Fund / JPMorgan SAR Pan Asia Fund**  
(individually, the “Trust” or collectively, the “Trusts”)

We are writing to inform you about certain changes to the Trusts.

#### **1. Amendment to the investment policy of certain Trusts**

Currently, JPMorgan SAR Asian Bond Fund and JPMorgan SAR Global Bond Fund (the “**Relevant Trusts**”) may invest in instruments with loss absorption features (e.g. contingent convertible debt securities and certain types of senior non-preferred debt, etc.) (“**LAP**”) up to the limits stated in the Explanatory Memorandum of the Relevant Trusts.

Following an internal review, the Manager has decided to increase the Relevant Trusts’ maximum limit of investment in LAP to the levels stated below.

<b>Relevant Trusts</b>	<b>Existing maximum exposure to LAP</b>	<b>New maximum exposure to LAP</b>	<b>Effective date of the new maximum exposure to LAP</b>
JPMorgan SAR Asian Bond Fund	up to 15% of its net asset value	less than 30% of its net asset value	2 July 2025
JPMorgan SAR Global Bond Fund	up to 20% of its net asset value	less than 30% of its net asset value	2 July 2025

LAP may be subject to greater risks when compared to traditional debt instruments as such instruments are subject to the risk of being written down or converted to ordinary shares. This has been observed as a measure adopted by regulators to resolve financial difficulty (if any) of major financial institutions. Please refer to the Explanatory Memorandum for details of the risks associated with LAP.

The Manager believes that the above change does not amount to a material change to the Relevant Trusts as there will be no material change or increase in the overall risk profile of the Relevant Trusts following the change and the change does not have any material adverse impact on investor’s rights or interests.

If, as a consequence of the above change, you wish to redeem or switch your holding in the Relevant Trusts into any other funds which are managed by the Manager or JPMorgan Funds (Asia) Limited or for which JPMorgan Funds (Asia) Limited acts as Hong Kong representative 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 from 27 March 2025 until 5:00pm (Hong Kong time) on 30 June 2025<sup>1</sup>. Prior to switching to such funds, investors should read and understand the investment objective, policies, risks factors, fees and other information applicable to such funds as described in the relevant Hong Kong offering documents. Details of such funds (including the relevant offering documents) can be found on our website [am.jpmorgan.com/hk](http://am.jpmorgan.com/hk)<sup>2</sup>. 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.

**2. Clarification to the investment restrictions and guidelines of certain Trusts**

The investment restrictions and guidelines of JPMorgan SAR American Fund and JPMorgan SAR European Fund have been updated to clarify that each Trust will not invest any of its assets in PRC onshore securities (including equity and debt securities).

The following clarification has been made to the investment restrictions and guidelines of JPMorgan SAR Asian Bond Fund:

- The Trust may invest (directly or indirectly) less than 20% (previously 30%) of its net assets in onshore debt securities issued in the Mainland China.
- The Trust is not intended to have exposure to debt securities with credit ratings below investment grade, except for debt securities issued by exempt authorities in accordance with the Regulation. In the event of downgrade, the Manager will dispose the securities as soon as practicable, under normal market circumstances. Investment grade bonds are rated Baa3/BBB-/equivalent or higher by any of the credit rating agencies as approved by the Authority.

The above are clarification reflecting existing practice and there is no change in the manner in which the Trusts are managed.

**3. Reduction of management fees of certain class of JPMorgan SAR Asian Bond Fund**

With effect from 1 April 2025, the level of management fee applicable to Class A and Class C of JPMorgan SAR Asian Bond Fund has been reduced as follows:

	Previous fee level	New fee level
Class A	0.8% per annum	0.5% per annum
Class C	0.4% per annum	0.25% per annum

**4. Renaming of Classes of units**

Class A, Class B, Class C, Class D and Class E of the Trusts have been renamed with each Class’s currency of denomination and distribution policy included in the name of the Class.

<sup>1</sup> Please note that although we will not impose any charges in respect of your redemption and/or switching instructions, your bank, distributor or financial adviser may charge you redemption, switching and/or transaction fees. You are advised to contact your bank, distributor or financial adviser should you have any questions.

<sup>2</sup> The website has not been reviewed by the SFC.

With respect to distribution policy, Classes with the suffix “(acc)” are accumulation Classes whereas Classes with the suffix “(mth)” are distribution Classes. Please refer to the section “Distribution Policy” in the Explanatory Memorandum for details.

## **5. Change in notification arrangement in case of a prolonged suspension of redemption**

As disclosed in the Explanatory Memorandum, if the Manager declares a suspension of redemption of any of the Trusts, the relevant notice of such suspension of redemption will be published immediately following such decision and additional notices will be published to update investors of the status of the suspension (“**Update Notices**”) at least once a month during the period of suspension.

The Explanatory Memorandum has been updated to provide that, going forward, in the case of a prolonged suspension, Update Notices will no longer be published during the period of suspension. Instead, the suspension status of the suspended Trusts will be stated at least once a month and updated as appropriate on the webpage of the relevant Trusts on our website [am.jpmorgan.com/hk](http://am.jpmorgan.com/hk)<sup>2</sup>. The Trust Deed of each Trust has also been amended accordingly.

## **6. Amendments related to in-kind subscription and redemption**

The Trust Deed of each Trust has been amended to:

- insert provisions related to in-kind redemption; and
- enhance the existing provisions related to in-kind subscription.

For the avoidance of doubt, in-kind subscription and in-kind redemption of the units of the Trusts are subject to the agreement of the Manager (who has absolute discretion to accept or reject such application) and the applicable terms stated in the Trust Deeds. In any event, the Manager will not effect redemptions in-kind without prior consent from investors. The Explanatory Memorandum has also been amended to include disclosures related to in-kind subscription and redemption.

## **7. Amendments related to currency conversion arrangement in dealing applications**

The Explanatory Memorandum has been amended to clarify that where currency conversion is required for applications for subscription and redemption, the costs of currency conversion charged by the Manager will be at the prevailing market rate as determined by the currency conversion service provider normally on the dealing day.

## **8. Amendments related to payment of redemption proceeds**

The Trust Deed of each Trust has been amended to reflect that payment of redemption proceeds may be made through parties to which the Manager has delegated the relevant administrative or transfer agency functions.

## **9. Amendments related to new distribution classes**

The Explanatory Memorandum has been updated to reflect the followings:

- insertion of distribution policy applicable to new distribution classes;
- addition of disclosures regarding distribution risk and payment of distribution out of capital risk;

The Trust Deed of each Trust has also been amended to reflect changes to distribution related provisions (including addition of provisions about the treatment of any undistributed distribution payment which is not claimed by unitholders).

## 10. Other general updates

The Explanatory Memorandum has been updated to reflect the following general updates:

- creation of Class A (acc) - HKD (hedged), Class B (acc) - HKD (hedged) and Class C (acc) - HKD (hedged) for JPMorgan SAR American Fund, JPMorgan SAR Asian Fund, JPMorgan SAR European Fund and JPMorgan SAR Japan Fund;
- creation of Class D (acc) - HKD, Class PRC (acc) - RMB (hedged), Class PRC (mth) - RMB (hedged), Class PRC (acc) - RMB, Class PRC (mth) - RMB, Class PRC (acc) - USD, Class PRC (mth) - USD, Class PRC (acc) - USD (hedged) and Class PRC (mth) - USD (hedged) for JPMorgan SAR Asian Bond Fund;
- creation of Class PRC (acc) - RMB and Class PRC (acc) - USD for JPMorgan SAR American Fund and JPMorgan SAR European Fund;
- creation of Class B (mth) - HKD for JPMorgan SAR Global Bond Fund;
- enhancement of disclosure regarding currency hedged classes;
- enhancement of disclosure regarding sovereign debt risk;
- consolidation of disclosure regarding initial issue price;
- update to the eligible investors of Class E; and
- other general and miscellaneous updates.

The revised Trust Deeds of the respective Trusts reflecting the changes mentioned above are available for inspection free of charge during normal working hours at the registered office of JPMorgan Funds (Asia) Limited as the Administrator of the Trusts<sup>3</sup>. The revised Explanatory Memorandum reflecting the changes mentioned above are available free of charge upon request during normal working hours at the registered office of JPMorgan Funds (Asia) Limited<sup>3</sup>, and on our website [am.jpmorgan.com/hk](http://am.jpmorgan.com/hk)<sup>2</sup>.

The Manager of the Trusts accepts responsibility for the accuracy of the contents of this letter.

Should you have any questions regarding the above, please do not hesitate to contact your designated client adviser, account manager, pension scheme trustee or administrator.

Yours faithfully,  
For and on behalf of  
JPMorgan Asset Management (Asia Pacific) Limited



Elisa Ng  
Head of Hong Kong Funds and Institutional Business

<sup>3</sup> The registered office of JPMorgan Funds (Asia) Limited is located at 19th Floor, Chater House, 8 Connaught Road Central, Hong Kong.