

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT CONTAINS PROPOSALS RELATING TO THE RECONSTRUCTION AND VOLUNTARY WINDING-UP OF JPMORGAN JAPAN SMALL CAP GROWTH & INCOME PLC ON WHICH YOU ARE BEING ASKED TO VOTE AND IN RELATION TO WHICH SHAREHOLDERS HAVE THE RIGHT TO MAKE AN ELECTION. IF YOU ARE IN ANY DOUBT ABOUT THE ACTION TO BE TAKEN, YOU ARE RECOMMENDED TO SEEK YOUR OWN PERSONAL FINANCIAL ADVICE FROM AN APPROPRIATELY QUALIFIED INDEPENDENT ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 IF YOU ARE IN THE UNITED KINGDOM, OR FROM ANOTHER APPROPRIATELY AUTHORISED INDEPENDENT FINANCIAL ADVISER IF YOU ARE IN A TERRITORY OUTSIDE OF THE UNITED KINGDOM, WITHOUT DELAY.

If you have sold or otherwise transferred all of your Ordinary Shares in JPMorgan Japan Small Cap Growth & Income PLC (the “**Company**” or “**JSGI**”), you should pass this document, together with the accompanying documents (but not any accompanying personalised Forms of Proxy or Form of Election), as soon as possible to the purchaser or transferee or to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee. However, the related prospectus published by JPMorgan Japanese Investment Trust PLC (the “**JFJ Prospectus**”) should not be forwarded to or transmitted in or into any Overseas Jurisdiction. Shareholders who are resident in, or citizens of, territories outside the United Kingdom should read the section headed “Excluded JSGI Shareholders” in Part 3 of this document.

The New JFJ Shares have not and will not be registered under the US Securities Act of 1933, as amended (the “**US Securities Act**”), and the New JFJ Shares may not be offered, sold, resold, pledged, delivered, assigned or otherwise transferred, directly or indirectly, into or within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the US Securities Act) (“**US Persons**”), except pursuant to an exemption from the registration requirements of the US Securities Act, and under circumstances that would not result in JFJ being in violation of the US Investment Company Act of 1940, as amended (the “**US Investment Company Act**”). JFJ will not be registered as an investment company under the US Investment Company Act, and JFJ Shareholders will not be entitled to the benefits of such legislation. There has not been and there will be no public offer or sale of the New JFJ Shares in the United States. The New JFJ Shares are being offered and sold solely: (i) outside the United States to persons who are not US Persons in “offshore transactions” as defined in and pursuant to Regulation S under the US Securities Act; and (ii) within the United States to, or to US Persons that are, both “qualified institutional buyers” (“**QIBs**”) as defined in Rule 144A under the US Securities Act and “qualified purchasers” as defined in Section 2(a)(51) of the US Investment Company Act (“**Qualified Purchasers**”), pursuant to an exemption from the registration requirements of the US Securities Act, and that, in the case of (ii), have executed a US Investor Representation Letter.

In connection with the Scheme, US Persons that are existing holders of shares in the Company and holders in the United States (“**US Shareholders**”) are requested (where applicable) to execute the US Investor Representation Letter annexed to the JFJ Prospectus and return it to JFJ in accordance with the instructions printed thereon.

JPMORGAN JAPAN SMALL CAP GROWTH & INCOME PLC

(Incorporated in England and Wales with registered number 03916716 and registered as an investment company under section 833 of the Companies Act 2006)

Recommended proposals for the voluntary winding-up of the Company and a combination with JPMorgan Japanese Investment Trust PLC

and

Notices of General Meetings

The definitions used in this document are set out in Part 7 of this document.

Cavendish Capital Markets Limited (“**Cavendish**”) is authorised and regulated in the United Kingdom by the FCA and is advising the Company and no one else in connection with the Proposals (whether or not a recipient of this document). Cavendish will not be responsible to any person other than the Company for providing the protections afforded to its customers, nor for providing advice in relation to the Proposals, the contents of this document and the accompanying documents or any other matter referred to herein or therein.

Investec Bank plc (“**Investec**”) is authorised in the United Kingdom by the Prudential Regulation Authority and regulated by the FCA and is advising JPMorgan Japanese Investment Trust PLC (“**JFJ**”) and no one else in connection with the Proposals (whether or not a recipient of this document). Investec will not be responsible to any person other than JFJ for providing the protections afforded to its customers, nor for providing advice in relation to the Proposals, the contents of this document and the accompanying documents or any other matter referred to herein or therein.

This document should be read in conjunction with the JFJ Prospectus relating to JFJ which has been prepared in accordance with the Prospectus Regulation Rules, approved by the FCA in accordance with section 84 of the Financial Services and Markets Act 2000, and made available to the public in accordance with the Prospectus Regulation Rules. In relation to JFJ, this document is not a prospectus and does not constitute an offer of any securities for sale or subscription. Investors should not subscribe for any New JFJ Shares referred to in this document except on the basis of information provided in the JFJ Prospectus. The JFJ Prospectus is available on JFJ’s website at www.jpmmjapanese.co.uk. A short document which includes some “Frequently asked questions” is available on the Company’s website at: www.jpmmjapanessmallcapgrowthandincome.co.uk.

The Proposals described in this document are conditional, among other things, on Shareholder approval. Notices of the First General Meeting, to be held at 10.00 a.m. on 10 October 2024, and the Second General Meeting, to be held at 10.00 a.m. on 24 October 2024, in each case at 60 Victoria Embankment, London, EC4Y 0JP, are set out at the end of this document.

All Shareholders are encouraged to vote in favour of the Resolutions to be proposed at the General Meetings and, if their Ordinary Shares are not held directly, to arrange for their nominee to vote on their behalf. Forms of Proxy for use in conjunction with the General Meetings are enclosed. To be valid for use at the General Meetings, the Forms of Proxy must be completed and returned in accordance with the instructions printed thereon to the receiving agent, Computershare Investor Services PLC (the “**Receiving Agent**”) at The Pavilions, Bridgwater Road, Bristol, BS99 6AH as soon as possible, but in any event so as to be received no later than 48 hours (excluding non-working days) before the time of the relevant meeting. Alternatively, you may appoint a proxy or proxies electronically by visiting www.investorcentre.co.uk/eproxy and following the instructions. Proxies submitted via www.investorcentre.co.uk/eproxy must be transmitted so as to be received by the Receiving Agent no later than 48 hours (excluding non-working days) before the time of the relevant meeting.

Shareholders who hold their Ordinary Shares in uncertificated form (i.e. in CREST) may vote using the CREST electronic voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the notices of the General Meetings set out at the end of this document). In addition, institutional investors may be able to appoint a proxy electronically via the Proxymity platform. Proxies submitted via a designated voting platform (such as CREST or Proxymity) for the General Meetings must be transmitted so as to be received by the Receiving Agent as soon as possible and, in any event, no later than 48 hours (excluding non-working days) before the time of the relevant meeting.

Shareholders who hold Ordinary Shares in certificated form will also find enclosed with this document a Form of Election for use in connection with the Proposals. To be valid, Forms of Election must be completed and returned to the Receiving Agent, Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH so as to arrive as soon as possible and, in any event, not later than 1.00 p.m. on 11 October 2024. Shareholders who hold their Ordinary Shares in uncertificated form will not receive a Form of Election and should elect in accordance with the instructions contained in the section of this document titled “*Ordinary Shares held in uncertificated form (that is, in CREST)*”, which can be found in Part 3 of this document.

Neither the United States Securities and Exchange Commission (the “**SEC**”) nor any securities supervisory authority of any state or other jurisdiction in the United States has approved or disapproved the Scheme or reviewed it for its fairness, nor have the contents of this document or any other documentation relating to the Scheme been reviewed for accuracy, completeness or fairness by the SEC or any securities supervisory authority in the United States. Any representation to the contrary is a criminal offence in the United States.

The Scheme is being implemented subject to United Kingdom disclosure requirements which are different from certain United States disclosure requirements. In addition, US Shareholders should be

aware that this document has been prepared in accordance with a UK format and style, which differs from the US format and style. In particular, parts of this document contain information concerning the Scheme required by UK disclosure requirements which may be material and may not have been summarised elsewhere in the document. Furthermore, the Scheme will be subject to other procedural requirements, including with respect to withdrawal rights, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.

The New JFJ Shares are not, and will not be, listed on a US securities exchange and JFJ is not subject to the periodic reporting requirements of the US Securities Exchange Act of 1934, as amended (the “**US Exchange Act**”) and is not required to, and does not, file any reports with the SEC. The Scheme is not subject to the disclosure and other procedural requirements of Regulation 14D under the US Exchange Act.

The Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each US Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of making a decision regarding the Scheme.

It may be difficult for US Shareholders to enforce their rights and any claim arising out of the US federal securities laws, since JFJ is located in a foreign country, and all of its officers and directors are citizens and residents of jurisdictions outside the United States. US Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of US securities laws. Further, it may be difficult to compel a foreign company and its affiliates to subject themselves to a US court’s judgement. Whether located in the United States or elsewhere, US Shareholders will receive any cash consideration in Pounds sterling.

Dated 19 September 2024

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SUMMARY OF ACTION TO BE TAKEN BY SHAREHOLDERS

Full details of the action to be taken by Shareholders are set out in the section of Part 1 of this document titled “*Action to be taken by Shareholders*” which can be found on pages 14 to 16 of this document, the section of Part 3 of this document titled “*Elections*”, and in the instructions on the Forms of Proxy, the Form of Election, and the US Investor Representation Letter (as applicable). You should read this whole document when deciding what action to take. The attention of Excluded JSGI Shareholders is drawn to the section headed “*Excluded JSGI Shareholders*” in Part 3 of this document.

1.	To vote on the Proposals
	<p>Complete and return the PURPLE Form of Proxy for the First General Meeting so as to be received as soon as possible, but in any event no later than 10.00 a.m. on 8 October 2024.</p> <p>AND</p> <p>Complete and return the BLUE Form of Proxy for the Second General Meeting so as to be received as soon as possible, but in any event no later than 10.00 a.m. on 22 October 2024.</p> <p>OR</p> <p>Alternatively you may appoint a proxy or proxies electronically by submitting via www.investorcentre.co.uk/eproxy. Proxies submitted via www.investorcentre.co.uk/eproxy must be transmitted so as to be received by the Registrars no later than 48 hours (excluding non-working days) before the time of the relevant General Meeting.</p> <p>OR</p> <p>Shareholders who hold their Ordinary Shares in uncertificated form (i.e. in CREST) may vote using the CREST electronic voting service in accordance with the procedures set out in the CREST Manual. In addition, institutional investors may be able to appoint a proxy electronically via the Proxymity platform. Proxies submitted via a designated voting platform (such as CREST or Proxymity) for the General Meetings must be transmitted so as to be received by the Registrars no later than 48 hours (excluding non-working days) before the time of the relevant General Meeting.</p>
2.	To make an Election
(a)	To elect to rollover into JFJ (the “Rollover Option”) in full
	No Form of Election should be completed or TTE Instruction submitted. However, Shareholders should nevertheless vote on the Proposals, as set out above.
(b)	To elect for the Cash Option (limited in aggregate to 25 per cent. of the issued Ordinary Shares)
	<p>If you hold your Ordinary Shares in certificated form (that is, not in CREST):</p> <p>You MUST complete the accompanying Form of Election in accordance with the instructions contained therein so as to be received as soon as possible, but in any event no later than 1.00 p.m. on 11 October 2024.</p> <p>OR</p> <p>If you hold your Ordinary Shares in uncertificated form (that is, in CREST):</p> <p>You MUST send a TTE Instruction in respect of any Ordinary Shares for which you wish to make an Election for the Cash Option no later than 1.00 p.m. on 11 October 2024.</p>

If you have any questions relating to the completion and return of your Forms of Proxy and/or the Form of Election, please contact the Receiving Agent's shareholder helpline between 8.30 a.m. and 5.30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales) on +44 (0)370 707 4040 (the "**Shareholder Helpline**"). Network providers' costs may vary. Calls to the Shareholder Helpline from outside the UK will be charged at the applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The Shareholder Helpline can only provide information regarding the completion of Forms of Proxy and/or the Form of Election and cannot provide you with financial, tax, investment or legal advice.

Only Shareholders who hold Ordinary Shares as at 6.00 p.m. on 11 October 2024 are able to elect for the Cash Option in respect of those Ordinary Shares. The extent to which a Shareholder elects for the Cash Option is a matter for each Shareholder to decide and will be influenced by their own individual financial and tax circumstances and investment objectives. Shareholders should seek advice from their own independent financial adviser.

Excluded JSGI Shareholders

To the extent that an Excluded JSGI Shareholder would otherwise receive New JFJ Shares under the Scheme, either because no Election, or a partial Election, for the Cash Option was made or because an Excess Application for the Cash Option is scaled back in accordance with the Scheme, then such New JFJ Shares will be sold by the Liquidators in the market and the net proceeds paid to the relevant Excluded JSGI Shareholder in accordance with paragraph 15.1 of Part 4.

IF YOU ARE NOT AN EXCLUDED JSGI SHAREHOLDER AND YOU WISH TO RECEIVE NEW JFJ SHARES IN RESPECT OF YOUR ENTIRE HOLDING OF SHARES IN THE COMPANY, YOU NEED TAKE NO ACTION AND DO NOT NEED TO COMPLETE THE FORM OF ELECTION OR SEND A TTE (TRANSFER TO ESCROW) INSTRUCTION. HOWEVER, SHAREHOLDERS SHOULD NEVERTHELESS VOTE ON THE PROPOSALS, AS SET OUT ABOVE.

EXPECTED TIMETABLE

2024

Date of this document	19 September
Publication of JFJ Prospectus	19 September
Date of declaration of pre-liquidation interim dividend	On or around 1 October
Latest time and date for receipt of proxy appointments in respect of the First General Meeting	10.00 a.m. on 8 October
First General Meeting	10.00 a.m. on 10 October
JFJ general meeting	11.00 a.m. on 10 October
Ex dividend date for the pre-liquidation interim dividend to Shareholders	10 October
Record date for the pre-liquidation interim dividend to Shareholders	11 October
Latest time and date for receipt of Forms of Election and TTE Instructions	1.00 p.m. on 11 October
Record date for entitlements under the Scheme	6.00 p.m. on 11 October
Ordinary Shares disabled in CREST (for settlement)	close of business on 11 October
Trading in JSGL Shares on the London Stock Exchange suspended	14 October
Pre-liquidation interim dividend paid to Shareholders	21 October
Calculation Date	close of business on 21 October
Latest time and date for receipt of proxy appointments in respect of the Second General Meeting	10.00 a.m. on 22 October
Reclassification of the Ordinary Shares	8.00 a.m. on 23 October
Suspension of listing of Reclassified Shares	7.30 a.m. on 24 October
Second General Meeting	10.00 a.m. on 24 October
Effective Date for implementation of the Scheme	24 October
Appointment of Liquidator	24 October
Announcement of the results of Elections, the JSGL Rollover FAV per Share, the JSGL Cash FAV per Share and the JFJ FAV per Share	24 October
CREST accounts credited with, and dealings commence in, New JFJ Shares	8.00 a.m. on 25 October
Cheques and electronic payments despatched to Shareholders who elect for the Cash Option and CREST accounts credited with cash	week commencing 4 November
Certificates despatched in respect of New JFJ Shares	By 8 November
Cancellation of listing of Reclassified Shares	as soon as practicable after the Effective Date

Note: All references to time in this document are to UK time. Each of the times and dates in the above expected timetable (other than in relation to the General Meetings) may be extended or brought forward. If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders by an announcement through a Regulatory Information Service.

PART 1

LETTER FROM THE CHAIR

JPMORGAN JAPAN SMALL CAP GROWTH & INCOME PLC

(the “Company”)

(Incorporated in England and Wales with registered number 03916716 and registered as an investment company under section 833 of the Companies Act 2006)

Directors:

Alexa Henderson (“Chair”)
Martin Shenfield
Tom Walker

Registered Office:

60 Victoria Embankment
London
EC4Y 0JP

19 September 2024

Dear Shareholders

Recommended proposals for a combination with JPMorgan Japanese Investment Trust PLC

1 INTRODUCTION

On 31 July 2024 the Board announced that it had agreed heads of terms with JPMorgan Japanese Investment Trust PLC (“JFJ”) in respect of a proposed combination of the Company with JFJ to form a combined entity (the “**Combined Trust**”) to be managed by the current investment manager of both companies, JPMorgan Asset Management (UK) Limited (the “**Investment Manager**”), and JFJ’s lead portfolio managers, Nicholas Weindling and Miyako Urabe, investing in accordance with JFJ’s existing investment objective and policy.

The Board and the Investment Manager believe that the outlook for Japanese equities remains compelling with a combination of improving economic fundamentals, structural transformation and corporate governance reforms. The Board believes that the Combined Trust will represent a very attractive way to invest in this opportunity. The Combined Trust would have net assets of up to approximately £1.0 billion, depending on the uptake of the Cash Option, and an estimated ongoing charges ratio of 0.62 per cent. As such, the Board believes the Combined Trust will continue to offer access to the compelling investment opportunity in Japan, led by Nicholas Weindling and Miyako Urabe and the substantial JPMorgan investment team based locally in Japan. Pending completion of the proposed combination, Miyako Urabe will remain lead portfolio manager, alongside Xuming Tao, of JSGL.

The combination will be effected by way of a scheme of reconstruction and members’ voluntary winding up of the Company under section 110 of the Insolvency Act (the “**Scheme**”) and the issue of New JFJ Shares to Shareholders who have elected, or are deemed to have elected, to roll over their investment into the Combined Trust (the “**Proposals**”).

The recommended Proposals have been structured with a view to avoiding any costs of the Proposals falling on continuing shareholders in the Combined Trust, and to reduce the overall ongoing charges ratio of the Combined Trust. This will be achieved through a contribution to costs from the Manager to support the Scheme when the recommended Proposals become effective. In addition, the Manager has agreed to reduce the management fees payable by the Combined Trust and to waive the termination fees that would otherwise be payable by the Company to the Manager on termination of the Company’s management agreement with the Manager.

The purpose of this document is to explain the Proposals and their rationale and expected benefits, the actions required to be taken in order for them to be implemented, and to convene the General Meetings to seek the required Shareholder approvals. The expected timetable associated with the Proposals is provided on page 7 of this document.

2 OVERVIEW OF THE PROPOSALS

Pursuant to the Scheme, JSGL will be put into liquidation and its assets split notionally into three pools in respect of: (i) the interests of continuing Shareholders who elect, or are deemed to elect, to roll over into the Combined Trust (the “**Rollover Pool**”); (ii) the interests of Shareholders who

elect for the Cash Option (the “**Cash Pool**”); and (iii) a provision sufficient to meet any current and future, actual and contingent liabilities of JSGL, including repayment of JSGL’s existing loan facility (the “**Liquidation Pool**”).

Under the Scheme, Shareholders will be entitled to elect to receive cash in respect of part or all of their shareholding, subject to an aggregate limit of 25 per cent. of the Company’s issued share capital (excluding shares held in treasury) at a 2 per cent. discount to the JSGL Residual FAV less the costs of realising the assets required to create the Cash Pool (the “**Cash Option**”). New JFJ Shares will be issued as the default option under the Scheme in the event that either no election, or a partial election, for the Cash Option is made by a Shareholder or because an election for the Cash Option is scaled back in accordance with the Scheme (the “**Rollover Option**”).

The Scheme will be implemented on a formula asset value (“**FAV**”) to FAV basis. FAVs for the purposes of the Scheme will be calculated in accordance with JFJ’s and JSGL’s normal accounting policies and will take into account the adjustments outlined below. FAVs will be calculated based on the NAVs (cum income, debt at fair value, if applicable) of the respective companies, on the Calculation Date.

The JSGL residual formula asset value (“**JSGL Residual FAV**”) shall be equal to the gross assets of JSGL as at the Calculation Date less: (i) the value of the cash and other assets appropriated to the Liquidation Pool (which includes any assets attributable to any Dissenting Shareholders); and (ii) any dividend which has been declared as at the Calculation Date but not paid to Shareholders, and not accounted for in the JSGL NAV, but excluding any adjustment for the JPMorgan Costs Contribution; plus (iii) an amount equal to any costs relating to the realignment of the JSGL portfolio in relation to the Proposals already incurred.

The JSGL Cash Pool FAV shall be equal to the JSGL Residual FAV multiplied by the proportion of the issued share capital of Company electing for the Cash Option to the Company’s issued share capital (excluding shares held in treasury) minus: (i) 2 per cent. (the “**Cash Option Discount**”); and (ii) the costs incurred in realising portfolio assets to create the Cash Pool (the “**Cash Pool Realisation Costs**”).

The JSGL Cash FAV per Share shall equal the JSGL Cash Pool FAV divided by the number of Shares in respect of which Shareholders have elected for the Cash Option, subject to an aggregate limit of 25 per cent. of the Company’s issued share capital (excluding shares held in treasury).

The JSGL Rollover Pool FAV shall be equal to the JSGL Residual FAV multiplied by the proportion of the issued share capital of the Company not electing for the Cash Option to the Company’s issued share capital (excluding shares held in treasury): (i) plus an amount reflecting the benefit of the JPMorgan Costs Contribution to the Company (being equal to the fixed costs of the Proposals payable by the Company); (ii) less the portfolio realignment costs, including both disposals and acquisitions, whether already incurred or estimated and still to be incurred, as part of the transaction by JSGL and JFJ and either before or after the Effective Date, but excluding the Cash Pool Realisation Costs (the “**Realignment Costs**”); and (iii) plus an amount equal to the aggregate value of the Cash Option Discount, capped at the value of the Realignment Costs. Any remaining benefit from the Cash Option Discount, after the application of the cap, will be for ongoing shareholders in the Combined Trust.

The JSGL Rollover FAV per Share shall equal the JSGL Rollover Pool FAV divided by the number of Shares in respect of which Shareholders have elected, or are deemed to have elected, for the Rollover Option.

The JFJ FAV shall be equal to the net assets of JFJ as at the Calculation Date: (i) less any direct transaction costs not already incorporated into the JFJ NAV; (ii) plus an amount reflecting the benefit of the JPMorgan Costs Contribution to JFJ (being equal to the fixed costs of the Proposals payable by JFJ); and (iii) plus an amount equal to any costs relating to the realignment of the JFJ portfolio in relation to the transaction already incurred.

The JFJ FAV per Share shall be equal to the JFJ FAV divided by the issued share capital of JFJ (excluding shares held in treasury).

Shareholders who elect (or are deemed to have elected) for the Rollover Option shall have New JFJ Shares issued to them based on the ratio of the JSGL Rollover FAV per Share to the JFJ FAV

per Share, multiplied by the number of Shares in respect of which they have elected, or are deemed to have elected, for the Rollover Option.

Save in respect of the JPMorgan Costs Contribution, each of JFJ and JSGL intends to bear its own costs incurred in relation to the transaction which will be reflected in the FAV for each company. JSGL will bear the costs of portfolio realignment, including those costs incurred, or expected to be incurred, in realising assets and reinvesting in new assets for the Combined Trust. The Combined Trust will pay any FCA/LSE listing fees in connection with the issue of New JFJ Shares.

JPMorgan has agreed to waive any termination fees payable under its investment management agreement with the Company which will terminate upon completion of the transaction.

The choice between the options available under the Proposals will be a matter for each Shareholder to decide and will be influenced by their investment objectives and by their personal, financial and tax circumstances. Accordingly, Shareholders should, before deciding what action to take, read carefully all the information in this document and in the JFJ Prospectus which is available at www.jpjapanese.co.uk. Summary information on JFJ (and the Combined Trust) is set out below and in Part 2 of this document. The JFJ Prospectus should be read alongside, but does not form part of, this document. A short document which includes some "Frequently asked questions" is available on the Company's website at: www.jpjapanese.com/smallcapgrowthandincome.co.uk.

3 BENEFITS OF THE PROPOSALS

The Directors believe that the Proposals will have the following benefits for Shareholders:

- **Broad all-cap strategy to capture a compelling investment opportunity:** The Rollover Option will provide Shareholders with exposure to the Combined Trust. The Investment Manager's portfolio managers have an unconstrained approach in the Combined Trust, meaning that they can invest anywhere in the market capitalisation spectrum in search of the best opportunities. The investment opportunity in Japan stretches across the full market capitalisation spectrum and JPMorgan believes that a blend of investments in larger, mid and small cap Japanese companies should enable investors to fully capture the revitalisation of the Japanese equity growth story through the corporate governance revolution.
- **Continued access to the market leading resources of JPMorgan:** Both JFJ and JSGL are managed by JPMorgan, an institutional asset manager with US\$3.7 trillion of assets under management as at 30 June 2024, including US\$16.7 billion in Japanese equities, as at 31 August 2024. JFJ will continue to benefit from the expertise of its portfolio managers, Nicholas Weindling and Miyako Urabe, both of whom are based locally in Japan, with Miyako providing continuity from her other role as lead portfolio manager of the Company.
- **Increased scale:** JFJ is a constituent of the FTSE 250 Index, with a market capitalisation of £770 million and net assets of £875 million as at 13 September 2024. It is the largest Japanese equity investment trust. The Scheme is expected to increase the net assets of the Combined Trust to up to approximately £1.0 billion, assuming that the Cash Option is taken up in full. The expected benefits should include increased secondary market liquidity and a greater relevance to larger investors as a direct consequence of size.
- **Reduced management fees:** Conditional upon the Scheme becoming effective, and with effect from 1 October 2024, the JFJ Board has agreed a reduced investment management fee with the Manager for the Combined Trust that is expected to reduce the blended annual management fee from 0.57 per cent. on net assets per annum to 0.48 per cent. on net assets per annum following completion of the Scheme (based on the net assets of both companies as at 13 September 2024 and assuming the Cash Option is taken up in full). The marginal fee rate will be 0.35 per cent. on net assets in excess of £750 million. For Shareholders electing for the Rollover Option, this represents a significant reduction in headline management fees from 0.83 per cent.
- **Lower ongoing charges:** The Combined Trust's expected ongoing charges ratio (OCR), *pro forma* for the Proposals (and excluding the costs and JPMorgan Costs Contribution in relation to the Proposals), is expected to be 0.62 per cent. in the 12 months following the Effective Date (based on net assets of both companies as at 13 September 2024 and assuming the Cash Option is taken up in full). This compares to JFJ's OCR of 0.75 per cent. for the six-

months ended 31 March 2024 and the Company's OCR of 1.20 per cent. for its financial year ended 31 March 2024.

- **Active approach to discount management:** The JFJ Board takes an active approach to managing the discount and has done so since 2020. The JFJ Board believes that this approach has dampened share price volatility and moderated the discount. This has contributed to JFJ consistently trading at a narrower discount than its immediate direct peer group. Over the 12 months to the latest practicable date prior to the publication of the JFJ Prospectus, JFJ has repurchased 7,605,000 million ordinary shares, representing 5.04 per cent. of the opening number of shares.
- **Introduction of continuation vote:** As part of its commitment to the highest standards of corporate governance, the JFJ Board is also proposing an amendment to the JFJ Articles at the JFJ General Meeting to introduce a continuation vote which would be held at JFJ's annual general meeting to be held in 2029 and, if passed, at every fifth annual general meeting thereafter.
- **Cost contribution:** JPMorgan has agreed to cover the fixed costs of the Proposals, reducing the effective implementation costs for each of the Company and JFJ such that there is no NAV dilution for either JFJ or for Shareholders receiving New JFJ Shares pursuant to the transaction from these fixed costs.

4 SUMMARY INFORMATION ON JFJ AND THE COMBINED TRUST

JFJ is a closed-ended investment company incorporated in England and Wales on 2 August 1927 with registered number 00223583. It is an investment company as defined by section 833 of the Companies Act and operates as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010.

JPMorgan Funds Limited (the "**Manager**"), a company authorised and regulated by the FCA, will continue to be appointed as alternative investment fund manager to the Combined Trust. The Manager delegates the provision of investment management services to an affiliate, JPMorgan Asset Management (UK) Limited (the "**Investment Manager**"), with the day-to-day investment management activity conducted in Tokyo by JPMorgan Asset Management (Japan) Limited. The Manager is a wholly-owned subsidiary of JPMorgan Chase & Co. which, through other subsidiaries, also provides marketing, banking, dealing, secretarial and custodian services to JFJ.

The Combined Trust's investment objective and investment policy are set out in Part 2 of this document and in the JFJ Prospectus.

The board of the Combined Trust currently comprises six directors and it is expected that Tom Walker will join the JFJ Board as its seventh member on completion of the Scheme.

Please note that neither the Board (other than Tom Walker in his capacity as a prospective director of JFJ) nor the Company takes any responsibility for the contents of the JFJ Prospectus. The JFJ Board takes no responsibility for the content of this document.

5 CONDITIONS OF THE PROPOSALS

Implementation of the Proposals is subject to a number of conditions, including:

- (a) the recommendation of the boards of the Company and JFJ to proceed with the Proposals which may be withdrawn by either board at any time;
- (b) the passing of the Resolutions to be proposed at the First General Meeting and the Resolution to be proposed at the Second General Meeting or any adjournment of those meetings and upon any conditions of such Resolutions being fulfilled;
- (c) the JFJ Share Allotment Authority being approved by JFJ Shareholders and not having been revoked or superseded; and
- (d) the FCA agreeing to admit the New JFJ Shares to listing in the closed-ended investment funds category of the Official List and the London Stock Exchange agreeing to admit the New JFJ Shares to trading on its Main Market, subject only to allotment.

If any condition is not satisfied, the Proposals will not become effective, the Company will not proceed with the winding-up and instead will continue in existence. In these

circumstances, the Directors will reassess the options available to the Company at that time.

6 SCHEME MECHANICS AND ENTITLEMENTS UNDER THE SCHEME

Under the Scheme:

- (a) all Shareholders will be entitled to elect to receive cash in respect of some or all of their Ordinary Shares (the “**Cash Option**”). The maximum number of Ordinary Shares (in aggregate) that can be elected for the Cash Option is 25 per cent. of the total number of Ordinary Shares in issue (excluding Ordinary Shares held in treasury) as at the Calculation Date. Shareholders are entitled to elect for the Cash Option in respect of more than 25 per cent. of their individual holdings of Ordinary Shares (the “**Basic Entitlement**”, such excess amount being an “**Excess Application**”). However, if aggregate Elections for the Cash Option exceed 25 per cent. of the issued Ordinary Shares (excluding Ordinary Shares held in treasury) as at the Calculation Date, Shareholders who have made an Election for the Cash Option in excess of their Basic Entitlement shall have their Excess Applications scaled back in a manner which is, as near as practicable, *pari passu* and *pro rata* among all Shareholders who have made such Excess Applications; and
- (b) eligible Shareholders will by default receive New JFJ Shares (the “**Rollover Option**”) to the extent that they do not make a valid election for the Cash Option in respect of all or some of their Ordinary Shares or to the extent that their elections for the Cash Option are scaled back in accordance with the Scheme.

Ahead of the Effective Date, the Company’s portfolio will be realigned in the most cost-effective manner to ensure that the Company has sufficient cash to fund the Liquidation Pool, including repayment of JSGL’s existing loan facility, and the Cash Pool and has assets suitable for transfer to JFJ, taking account of JFJ’s investment policy.

On or shortly after the Calculation Date, the Board, in consultation with the proposed liquidators, shall finalise the division of the Company’s assets into three separate and distinct pools (the Liquidation Pool, the Cash Pool and the Rollover Pool). After allocating cash and other assets to the Liquidation Pool to meet all known and unknown liabilities of the Company and other contingencies, including the costs of the Proposals agreed to be borne by the Company, the Liquidator’s retention and the entitlements of any Dissenting Shareholders, there shall be appropriated to the Cash Pool and the Rollover Pool the remaining assets of the Company in the manner described in paragraph 3 of Part 4 of this document.

For illustrative purposes only, had the Calculation Date been close of business on the Latest Practicable Date and assuming that no Shareholders exercise their right to dissent from participation in the Scheme, after deduction of the Company’s pre-liquidation interim dividend to be declared on or around 1 October 2024 and assuming that the maximum amount is elected for the Cash Option:

- the JSGL Rollover FAV per Share would have been 363.376807 pence and the JFJ FAV per Share would have been 610.109892 pence which, for the Rollover Option, would have produced a conversion ratio of 0.595592 and, in aggregate, 24,079,792 New JFJ Shares would have been issued to Shareholders who elected, or are deemed to have elected, for the Rollover Option under the Scheme; and
- the JSGL Cash FAV per Share would have been 349.207949 pence.

The above figures are for illustrative purposes only and do not represent forecasts. The JSGL Rollover FAV per Share, JFJ FAV per Share and JSGL Cash FAV per Share and Shareholders’ entitlements under the Scheme may materially change up to the Effective Date as a result of, *inter alia*, changes in the value of investments, the Realignment Costs and the Cash Pool Realisation Costs. For further details of the Scheme, please refer to Part 4 of this document.

7 COSTS OF IMPLEMENTING THE SCHEME, THE JPMORGAN COSTS CONTRIBUTION AND TERMINATION FEE WAIVER

Subject as noted below, if the Scheme is implemented, each of JSGL and JFJ have agreed to bear their own costs associated with the Proposals.

The fixed costs of the Scheme payable by the Company are expected to be approximately £617,000 inclusive of VAT which, for the purposes of this calculation, is assumed to be irrecoverable where applicable. The estimate of the Company's costs excludes the Liquidators' retention to cover unknown liabilities (estimated at £100,000) and does not take account of any dealing costs which will be incurred by the Company in disposing of assets in order to repay its existing debt facilities or to fund the Cash Option and the Liquidation Pool. The Liquidators' retention will be retained by the Liquidators to meet any unknown or unascertained liabilities of the Company. To the extent that some or all of the Liquidators' retention remains when the Liquidators decide to close the liquidation, this will be returned to Shareholders that were on the Register as at the Record Date.

The Manager has undertaken to make a contribution to JFJ equal to the total fixed costs of the transaction of each of JFJ and JSGL (the "**JPMorgan Costs Contribution**"), contingent on the transaction being fully implemented and subject to JPMorgan agreeing the costs being incurred. For the avoidance of doubt, the following costs shall not constitute fixed costs of the transaction for the purposes of calculating the JPMorgan Costs Contribution: (i) any costs of the realignment and/or realisation are separate to these costs and apportioned to the transaction as described on page 9; (ii) any realignment costs, stamp duty, SDRT or other transaction tax incurred by JFJ for the acquisition of the Rollover Pool, which costs shall be borne solely by JFJ, but which, for the avoidance of doubt, will not be reflected in the JFJ FAV; and (iii) listing fees in respect of the listing of the New JFJ Shares issued in connection with the Scheme, which costs shall be borne by JFJ, but which, for the avoidance of doubt, will not be reflected in the JFJ FAV.

The financial value of the JPMorgan Costs Contribution will be credited against the costs of the Proposals as described above to the benefit of continuing shareholders (which excludes, to the extent of their actual participation in the Cash Option, those Shareholders who elect for the Cash Option).

The amount of the JPMorgan Costs Contribution may, at the option of JPMorgan, be deducted from the amounts payable by JFJ to JPMorgan under the terms of its investment management agreement with JFJ.

JPMorgan has also agreed to waive any termination fees payable under its investment management agreement with JSGL which will terminate upon completion of the transaction.

In the event that implementation of the Scheme does not proceed each party will bear its own costs, save that JPMorgan has agreed to make a contribution to cover some of JFJ's costs in certain prescribed circumstances.

8 PRE-LIQUIDATION INTERIM DIVIDEND

Under its current dividend policy, the Company aims to pay, in the absence of unforeseen circumstances, a regular quarterly dividend equal to 1 per cent. of the Company's NAV on the last business day of the preceding financial quarter, being the end of March, June, September and December. Over the year this approximates to 4 per cent. of the average NAV. These dividends are paid from other reserves and fluctuate in line with any rise or fall in the Company's NAV. As an investment trust, the Company is not permitted to retain more than 15 per cent. of its income in any accounting period. If the Scheme is successful, this condition must be met in the shortened accounting period commencing on 1 April 2024 and ending on the Effective Date. In order to meet this requirement, the Company proposes to pay an interim dividend to Shareholders on the Register as at 11 October 2024. The Ordinary Shares are expected to go ex-dividend on 10 October 2024. The expected payment date for the dividend is 21 October 2024.

9 BORROWINGS

The Company has a Yen 4.0 billion two-year revolving credit facility with ING Bank which is due for renewal in December 2024. It is proposed that this facility will not transfer to JFJ and will be cancelled and repaid prior to the liquidation of the Company.

10 RISK FACTORS

Shareholders are strongly urged to read carefully the risk factors contained in Part 2 of this document which sets out the material risks known to the Directors at the date of this document in relation to the Proposals. **Shareholders are also strongly urged to read the section containing risk factors in the JFJ Prospectus.**

11 TAXATION

Shareholders are advised to read carefully the section headed “UK Taxation” in paragraph 7 of Part 3 of this document which sets out a general guide to certain aspects of current UK tax law and HMRC published practice as at the date of this document.

Please note that nothing in this document constitutes tax advice. Shareholders are strongly advised to consult their own professional advisers as to their tax position.

12 GENERAL MEETINGS

The implementation of the Proposals will require two general meetings of the Company. The notices convening the First General Meeting (to be held at 10.00 a.m. on 10 October 2024) and the Second General Meeting (to be held at 10.00 a.m. on 24 October 2024) are set out at the end of this document.

The Resolutions to be proposed at the General Meetings, on which all Shareholders may vote, are as follows:

12.1 First General Meeting

The resolutions to be considered at the First General Meeting (which will be proposed as special resolutions) will, if passed, approve the terms of the Scheme and associated amendments to the Articles set out in Part 4 of this document, authorise the Liquidators to enter into and give effect to the Transfer Agreement with JFJ, purchase the interests of any dissentients to the Scheme and authorise the Liquidators to apply to cancel the listing of the Ordinary Shares with effect from such date as the Liquidators may determine.

Each Resolution will require at least 75 per cent. of the votes cast in respect of it, whether in person or by proxy, to be voted in favour in order for it to be passed. The Scheme will not become effective unless and until, *inter alia*, the Resolution to be proposed at the Second General Meeting has also been passed.

12.2 Second General Meeting

At the Second General Meeting, a special resolution will be proposed which, if passed, will place the Company into liquidation, appoint the Liquidators and agree the basis of their remuneration, instruct the Company Secretary to hold the books to the Liquidators’ order and provide the Liquidators with appropriate powers to carry into effect the amendments to the Articles made at the First General Meeting. The Resolution to be proposed at the Second General Meeting is conditional upon the passing of the Resolutions at the First General Meeting, the JFJ Share Allotment Authority being passed, the approval of the FCA and the London Stock Exchange of the Admission of the New JFJ Shares to listing in the closed-ended investment funds category of the Official List and to trading on the Main Market of the LSE, respectively, and the Directors and the JFJ Directors resolving to proceed with the Scheme.

The Resolution will require at least 75 per cent. of the votes cast in respect of it, whether in person or by proxy, to be voted in favour in order for it to be passed.

13 ACTION TO BE TAKEN BY SHAREHOLDERS

Before taking any action, Shareholders are recommended to read the further information set out in this document and in the JFJ Prospectus.

13.1 Elections

The default option under the Scheme is to receive New JFJ Shares meaning that Shareholders who do not make a valid Election for the Cash Option in respect of all of their Ordinary Shares, or whose elections for the Cash Option are scaled back in accordance with the Scheme, will be deemed to have elected for New JFJ Shares in respect of such holding. If you wish to receive New JFJ Shares in respect of all of your Ordinary Shares, there is no need to complete and return a Form of Election (which you will receive if you hold your Ordinary Shares in certificated form) or to submit a TTE Instruction (if you hold your Ordinary Shares in uncertificated form).

If you wish to receive cash in respect of all or part of your holding of Ordinary Shares, you must either complete and return a Form of Election or submit a TTE Instruction (depending on how your Ordinary Shares are held) in respect of the number of Ordinary Shares for which you wish to receive cash. You will be deemed to have elected to receive New JFJ Shares in respect of the remainder of your holding.

Full details of the action to be taken by Shareholders in respect of their Elections are set out in the section of Part 3 of this document titled “*Elections*”.

13.2 Voting on the Proposals

All Shareholders are encouraged to vote in favour of the Resolutions to be proposed at the General Meetings and, if their Ordinary Shares are not held directly, to arrange for their nominee to vote on their behalf.

Shareholders are requested to complete and return proxy appointments to the Receiving Agent by one of the following means:

- (a) by logging on to www.investorcentre.co.uk/eproxy and following the instructions; or
- (b) by completing and signing the PURPLE Form of Proxy for use in relation to the First General Meeting and the BLUE Form of Proxy for use in relation to the Second General Meeting, in accordance with the instructions printed thereon and returning by post, by courier or by hand; or
- (c) in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to the respective notices of the General Meetings.

In each case, the proxy appointments must be received by the Receiving Agent as soon as possible and, in any event, no later than 10.00 a.m. on 8 October 2024 in respect of the First General Meeting and no later than 10.00 a.m. on 22 October 2024 in respect of the Second General Meeting.

Completion and return of proxy appointments will not prevent you from attending and voting in person at the General Meetings should you wish to do so.

If any of the Resolutions to be proposed at the General Meetings are not passed, the Proposals will not proceed and the Company will not be wound up. In these circumstances, the Board will reassess the options available to the Company at that time.

13.3 Excluded JSGI Shareholders

The attention of Excluded JSGI Shareholders is drawn to the paragraph titled “*Excluded JSGI Shareholders*” in Part 3 of this document.

Overseas Shareholders will not receive a copy of the JFJ Prospectus unless they have satisfied the Directors and the JFJ Directors that they are entitled to receive and hold New JFJ Shares without breaching any relevant securities laws and without the need for compliance on the part of the Company or JFJ with any overseas laws, regulations, filing requirements or the equivalent. Sanctions Restricted Persons shall not receive a copy of the JFJ Prospectus.

To the extent that an Excluded JSGI Shareholder is entitled to and would otherwise receive New JFJ Shares under the Scheme, either because no Election, or a partial Election, for the Cash Option was made or because an Excess Application for the Cash Option is scaled back in accordance with the Scheme, then such New JFJ Shares will be issued to the Liquidators as nominees for the relevant Excluded JSGI Shareholder and sold by the Liquidators in the market (which shall be done by the Liquidators without regard to the personal circumstances of the relevant Excluded JSGI Shareholder and the value of the Ordinary Shares held by the relevant Excluded JSGI Shareholder) and the net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid: (i) to the relevant Excluded JSGI Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per Excluded JSGI Shareholder will be retained in the Liquidation Pool; or (ii) in respect of Sanctions Restricted Persons at the sole and absolute discretion of the Liquidators and will be subject to applicable laws and regulations.

US Shareholders that do not provide a US Investor Representation Letter will be treated as Excluded JSGL Shareholders. US Shareholders should see the paragraph titled "Notice to US JSGL Shareholders" on page 59 of the JFJ Prospectus.

Subject to certain exceptions described herein, no action has been taken or will be taken in any jurisdiction other than the UK where action is required to be taken to permit the distribution of this document and/or the JFJ Prospectus. Accordingly, such documents may not be used for the purpose of, and do not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

US Shareholders

Any US Shareholder (or any persons acting for the account or benefit of such US Shareholder) receiving this document is requested to execute the US Investor Representation Letter annexed to the JFJ Prospectus and return it to JFJ and Investec.

If a US Shareholder does not execute and return a US Investor Representation Letter any New JFJ Shares to which such US Shareholder is entitled and which such US Shareholder would otherwise receive under the Scheme will be issued to the Liquidators as nominees for the relevant US Shareholder and sold by the Liquidators in the market (which shall be done by the Liquidators without regard to the personal circumstances of the relevant US Shareholder and the value of the Ordinary Shares held by the relevant US Shareholder) and the net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid to the relevant Ineligible US Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per US Shareholder will be retained in the Liquidation Pool. US Shareholders who have any questions regarding the submission of the US Investor Representation Letter may call the Registrar, Computershare Investor Services PLC on +44 (0)370 707 1416. Please note that the Registrar cannot give any advice on how US Shareholders should complete the US Investor Representation Letter. Such persons are encouraged to seek their own advice should they have any questions regarding the completion of the US Investor Representation Letter.

Non-US Shareholders are deemed to represent to the Company and JFJ that they are located outside of the United States and are not US Persons (and are not acting for the account or benefit of a US Person).

14 RECOMMENDATION

The Board, which has been advised by Cavendish, considers the Proposals and the Resolutions to be proposed at the General Meetings to be in the best interests of Shareholders as a whole. In providing its advice, Cavendish has taken into account the commercial assessment of the Board.

Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Resolutions, as the Directors intend to do in respect of their own beneficial holdings, which total 39,265 Ordinary Shares (representing 0.07 per cent. of the Company's total voting rights) as at the Latest Practicable Date. Each of the Directors intends to elect for the Rollover Option in relation to their own holding of Ordinary Shares.

The Board cannot, and does not, give any advice or recommendation to Shareholders as to whether, or as to what extent, they should elect for any of the options under the Proposals. The choice between the options available under the Proposals will be a matter for each Shareholder to decide and will be influenced by their individual investment objectives and by their personal, financial and tax circumstances. Accordingly, Shareholders should, before deciding what action to take, read carefully all the information in this document and in the JFJ Prospectus.

Shareholders who are in any doubt as to the contents of this document or the JFJ Prospectus or as to the action to be taken should seek their own personal financial advice from an appropriately qualified independent financial adviser authorised under FSMA. Shareholders who are in any doubt as to their tax position or who may be subject to tax in any jurisdiction other than the UK are strongly advised to consult their own professional advisers.

Yours sincerely

Alexa Henderson
Chair

PART 2

FURTHER INFORMATION ON JFJ AND THE COMBINED TRUST

Any investment in JFJ will be governed by the JFJ Prospectus which is available at www.jpmmjapanese.co.uk. Accordingly, Shareholders are required to read the JFJ Prospectus and in particular the risk factors contained therein. Neither the Board (other than Tom Walker in his capacity as a prospective director of JFJ from the Effective Date) nor the Company takes any responsibility for the contents of the JFJ Prospectus.

1 INTRODUCTION AND HISTORY

JFJ is a closed-ended investment company incorporated on 2 August 1927 in England and Wales with registered number 00223583 and registered as an investment company under section 833 of the Act. JFJ carries on business as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010, as amended.

As at the Latest Practicable Date, JFJ had 143,427,039 ordinary shares in issue (excluding treasury shares), a market capitalisation of approximately £770 million, a Net Asset Value (with debt at fair value) of approximately £875.06 million and a Net Asset Value per share of 610.11 pence.

Applications will be made to the FCA and the London Stock Exchange for the New JFJ Shares to be issued pursuant to the Scheme to be admitted to listing in the closed-ended investment funds category of the Official List of the FCA and to trading on the Main Market.

2 INVESTMENT MANAGEMENT ARRANGEMENTS

JPMorgan Funds Limited (the “**Manager**”), a company authorised and regulated by the FCA, will continue to be appointed as alternative investment fund manager to the Combined Trust. The Manager delegates the provision of investment management services to an affiliate, JPMorgan Asset Management (UK) Limited (the “**Investment Manager**”), with the day-to-day investment management activity conducted in Tokyo by JPMorgan Asset Management (Japan) Limited, a fellow investment management subsidiary and an affiliate of JPMorgan Chase Bank. The Manager is a wholly-owned subsidiary of JPMorgan Chase Bank which, through other subsidiaries, also provides marketing, banking, dealing, secretarial and custodian services to JFJ.

JFJ and the Manager have entered into an investment management agreement pursuant to which the Manager has been given responsibility, subject to the overall supervision of the Board, for active discretionary investment management of JFJ’s portfolio in accordance with its investment objective and policy, which it has delegated to the Investment Manager by way of a group delegation agreement. JFJ has consented to the Manager delegating its portfolio management responsibilities to the Investment Manager.

The Manager is also responsible for the day-to-day administration of JFJ, including but not limited to liaising with its depositary and calculating its NAV on a daily basis (or at such other intervals as may be agreed with JFJ from time to time).

Portfolio managers

JFJ’s portfolio managers, Nicholas Weindling and Miyako Urabe, will continue to be responsible for the management of the portfolio of the Combined Trust following the successful completion of the Scheme. Biographies of the portfolio managers are set out below:

Nicholas Weindling: Nicholas Weindling, managing director, is a country specialist for Japan equities and a member of the Japan team within the Emerging Markets and Asia Pacific Equities team based in Tokyo. Nicholas has 22 years of industry experience, having joined J.P.Morgan in 2006 from Baillie Gifford in Edinburgh, where he worked initially as a UK large cap analyst and latterly as a Japanese equities investment manager. Nicholas obtained a BA (Honours) in History from Cambridge University.

Miyako Urabe: Miyako Urabe, executive director, is also a country specialist for Japan equities and a member of the Japan team within the Emerging Markets and Asia Pacific Equities team based in Tokyo. Miyako has 16 years of industry experience, having joined J.P. Morgan in 2013 from Credit Suisse Securities Equity Sales desk in Tokyo as an Asia ex-Japan specialist. She began her career

at Morgan Stanley MUFG Securities covering Japan and Asia ex-Japan. Miyako obtained a Bachelors degree in Economics from Keio University, Japan.

3 PERFORMANCE AND PORTFOLIO

Performance

	1 year	3 years	5 years	10 years	10 years p.a.
JFJ NAV*	19.8%	-10.0%	31.8%	173.1%	10.6%
TOPIX TR GBP	14.3%	16.3%	34.2%	131.8%	8.8%
Relative JFJ NAV**	4.8%	-22.6%	-1.8%	17.8%	1.7%

* Cum income, debt at fair value

** Cum income, debt at fair value (calculated on a geometric basis)

Source: JPMorgan and Morningstar, as at 31 August 2024

Portfolio

As at 17 September 2024, the JFJ portfolio comprised 53 investments, with an aggregate unaudited value of approximately £951 million. The information in this section, which has not been audited, has been sourced from information supplied by the Investment Manager.

As at 17 September 2024, JFJ's top 15 investments, representing over 50 per cent. of the value of the JFJ portfolio were as follows:

Security description	Percentage of value of total JFJ portfolio (%)
HITACHI LTD	6.51
ASICS CORP	5.20
TOKIO MARINE HOLDINGS INC	4.59
KEYENCE CORP	4.58
ITOCHU CORP	4.56
SHIN-ETSU CHEMICAL CO LTD	3.95
HOYA CORP	3.64
SEVEN & I HOLDINGS CO LTD	3.53
ADVANTEST CORP	3.47
SECOM CO LTD	3.03
NINTENDO CO LTD	2.80
JAPAN EXCHANGE GROUP INC	2.72
RECRUIT HOLDINGS CO LTD	2.71
NIPPON SANSO HOLDINGS CORP	2.63
SOFTBANK GROUP CORP	2.48
	56.40

As at 17 September 2024, the breakdown of the JFJ portfolio by sector (shown on a geared basis) was:

Sector	Percentage of value of total Portfolio (%)
Electric Appliances	24.47
Chemicals	11.81
Information & Communication	10.84
Services	9.32
Other Products	9.15
Precision Instruments	8.87
Wholesale Trade	6.86
Retail Trade	6.08
Insurance	5.26
Transportation Equipment	4.78
Other Financing Business	3.11
Other	11.05
Cash	-11.6

The Manager and the Investment Manager expect that the composition of the JFJ portfolio of the enlarged Company following the successful completion of the Scheme will be substantially similar to the JFJ portfolio as disclosed in this document and the JFJ Prospectus.

4 INVESTMENT OBJECTIVE AND POLICY

JFJ's investment objective and policy are as follows:

Investment objective

JFJ's objective is to provide JFJ Shareholders with capital growth from investment in Japanese companies.

Investment policy

In order to achieve the investment objective and to seek to manage risk, JFJ invests in a diversified portfolio of quoted Japanese companies, or securities providing an indirect investment in Japan. The Investment Manager seek to focus on quality growth stocks with strong future growth prospects, which means that, within some broad portfolio risk limits, JFJ's portfolio is likely to differ materially from the Benchmark Index (the Tokyo Stock Exchange Index) with net dividends reinvested, expressed in sterling terms) as the Investment Manager will usually avoid companies and sectors that face structural issues even if they are a large constituent of the Benchmark Index. The JFJ portfolio usually has a significant exposure to the domestic Japanese economy, with selective exposure to overseas earnings. The Investment Manager does not hedge the JFJ portfolio against foreign currency risk.

The JFJ Board determines JFJ's capital structure and gearing policy with input from the Manager. The JFJ Board's gearing policy is that JFJ will remain invested in the range of 5 per cent. net cash to 20 per cent., under normal market conditions. JFJ makes use of both long and short-term borrowings to increase returns.

The JFJ Board has set no minimum or maximum limits on the number of investments in the JFJ portfolio but it is a relatively concentrated JFJ portfolio consisting typically of between 50 and 100 investments.

Investment restrictions and guidelines

The JFJ Board seeks to manage JFJ's risk by imposing various investments limits and restrictions.

- JFJ must maintain 97.5 per cent. of investments in Japanese securities or securities providing an indirect investment in Japan.
- No investment to be more than 5.0 per cent. in excess of benchmark weighting at time of purchase and 7.5 per cent. at any time.
- JFJ does not normally invest in unquoted investments and to do so requires prior board approval.
- JFJ does not normally enter into derivative transactions and to do so requires prior board approval³.
- JFJ will not invest more than 15 per cent. of its gross assets in other UK-listed investment companies and will not invest more than 10 per cent. of its gross assets in companies that themselves may invest more than 15 per cent. of gross assets in UK listed investment companies.

These limits and restrictions may be varied by the JFJ Board at any time at its discretion. Compliance with the JFJ Board's investment restrictions and guidelines is monitored continuously by the Manager and reported to JFJ Board on a monthly basis. The Manager also has internal guidelines in relation to investment concentration.

No material change will be made to the investment policy without the prior approval of the FCA and JFJ Shareholders by ordinary resolution.

5 INVESTMENT STRATEGY AND PROCESS

In respect of JFJ's portfolio the Investment Manager maintains a bottom-up, unconstrained investment approach that seeks out the very best Japanese companies with excellent long-term outlooks. Specifically, the Investment Manager focuses on high-grade companies with strong balance sheets and leading competitive positions. The Investment Manager favours companies with persistent pricing power, which are well-positioned to continue to grow and prosper, largely regardless of the macroeconomic environment. Performance is judged against a benchmark, that is the Tokyo Stock Exchange Index ("**TOPIX**" or the "**Benchmark Index**") with net dividends reinvested, expressed in sterling terms.

Stock selection is the most important part of the investment process, as it normally provides the greater part of the Investment Manager's added value to performance of the portfolio. The Investment Manager is supported in this process by JPMorgan Asset Management's well-resourced investment team on the ground in Tokyo, and by JPMorgan's extensive team of analysts, both in Japan and globally.

Stock selection is a two-stage process, first allocating a strategic classification, followed by valuation analysis.

The Investment Manager assigns a strategic classification to each company, derived from desk-based research and company meetings. The highest rating is 'Premium', followed by 'Quality', and then 'Standard', a categorisation previously called 'Trading', but renamed to better capture the features of the stocks in this category. When assigning these ratings, in addition to assessing companies on fundamentals such as balance sheet strength, free cash flow, market position and growth prospects, the Investment Manager also considers governance issues, as well as potential risks arising from financially material environmental, social and governance (ESG) considerations. Within the investable universe of more than 3,000 Japanese companies, the Investment Manager ascribes a Standard classification to around 75% of the Benchmark Index, whereas well over 80% of the portfolio companies are rated Premium or Quality.

Having understood the opportunity and risks around a company, the research analysts then value that opportunity through a valuation framework analysis to derive the Five Year expected return of a stock, an indication of its relative attractiveness to other stocks under coverage. An annualised Five Year Expected Return for a company is evaluated through three sources of return: earnings growth, dividends, and change in valuation.

Positions in the JFJ portfolio are driven by the Investment Manager's highest conviction ideas; therefore the JFJ portfolio is usually overweight Premium and Quality stocks.

³ At the date of this document, the JFJ Board has given approval for contracts for differences to be utilised for gearing purposes.

The Investment Manager's bottom-up, unconstrained approach means the JFJ portfolio can, and does, look very different from the Benchmark Index.

6 DIVIDEND POLICY

JFJ is managed to produce capital growth and not to produce any particular level of dividend and therefore the level of its dividend will vary. JFJ currently has a policy of paying out the majority of revenue available each year. The dividend reflects the available revenue for distribution each year and accordingly there are likely to be fluctuations year on year. For the year ended 30 September 2023, JFJ paid a dividend of 6.5 pence per share.

JFJ intends to conduct its business so as to continue to satisfy the conditions to retain approval as an investment trust under section 1158 of the Corporation Tax Act. In accordance with regulation 19 of the Investment Trust Tax Regulations, JFJ does not (except to the extent permitted by those regulations) intend to retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period.

The JFJ Board has noted that the Company has paid an enhanced dividend since 2018. Following completion of the Proposals, the board of the Combined Trust intends to undertake a review of JFJ's dividend policy, including consulting with JFJ's major shareholders.

7 DISCOUNT/PREMIUM MANAGEMENT POLICY

The JFJ Board monitors the discount to NAV at which JFJ Shares trade. It believes that for the JFJ Shares to trade close to NAV over the long term, the focus must remain on consistent, strong investment performance over the key one, three, five and ten-year timeframes, combined with effective marketing and promotion of JFJ.

The JFJ Board recognises that a widening of, and volatility in, JFJ's discount is seen by some investors as a disadvantage of investments trusts. The JFJ Board has restated its commitment to seek a stable discount or premium over the long run, commensurate with investors' appetite for Japanese equities and JFJ's various attractions, not least the quality of the investment team, the investment process and the resultant strong long-term performance. Over the 12 months to the latest practicable date prior to the publication of the JFJ prospectus, JFJ has repurchased 7,605,000 shares, 5.04 per cent. of the opening number of shares.

JFJ Shares are only repurchased at a discount to the prevailing Net Asset Value, which increases JFJ's Net Asset Value per JFJ Share on the remaining shares.

The JFJ directors have been granted authority at the annual general meeting held in 2024 to purchase in the market up to 22,202,751 JFJ Shares. As at the latest practicable date prior to the publication of the JFJ Prospectus, JFJ has purchased 4,690,000 shares pursuant to this authority. JFJ expects to seek a renewal of this authority at each annual general meeting.

All share repurchases will be conducted in accordance with the Companies Act and the UK Listing Rules. JFJ Shareholders and prospective JFJ Shareholders should note that such repurchases of JFJ Shares by JFJ are entirely discretionary and no expectation or reliance should be placed on the Directors exercising such discretion on any one or more occasions.

JFJ Shares repurchased by JFJ may be cancelled or held in treasury (or a combination of both). Any shares held in treasury may be subsequently cancelled or sold for cash. The sale of shares from treasury will be subject to the Companies Act and the provisions relating to the rights of pre-emption contained therein to the extent not disapplied. Further, such sales will not, unless authorised by JFJ Shareholders, be at a price per JFJ Share which would be less (after taking account of all commissions, costs and expenses of such sale) than the Net Asset Value per JFJ Share at the relevant time plus issue expenses.

8 CONTINUATION VOTE

The JFJ Board is proposing an amendment to the JFJ Articles at the JFJ General Meeting to introduce a provision requiring a continuation vote to be proposed to JFJ Shareholders as an ordinary resolution at the annual general meeting of JFJ to be held in 2029 and, if passed, at every fifth annual general meeting thereafter.

If any such resolution is not passed, the JFJ Board shall, at a general meeting to be held within six months of the date on which such resolution is not passed, put forward proposals to JFJ Shareholders for the reconstruction, reorganisation or winding-up of JFJ.

9 COMPULSORY TRANSFER

Subject to resolution 2 to be proposed at the JFJ General Meeting being passed, the JFJ Articles will be amended to include a new article which will introduce the right for JFJ to seek information from its JFJ Shareholders to comply with any legislative or regulatory obligations to which it is subject and furthermore to permit the JFJ Board to require a compulsory transfer of JFJ Shares by a JFJ Shareholder should that JFJ Shareholder subject JFJ to onerous legislative or regulatory obligations.

10 MANAGEMENT FEES AND ONGOING EXPENSES

The existing annual management fee payable by JFJ to the Manager is calculated on a tiered basis by reference to its Net Asset Value, as follows:

- 0.65 per cent. on the first £465 million of its Net Asset Value;
- 0.485 per cent. above £465 million and up to £930 million of its Net Asset Value; and
- 0.40 per cent. on its Net Asset Value in excess of £930 million.

If JFJ invests in funds managed or advised by the Manager, or any of its associated companies, those investments are excluded from the calculation of the annual management fee.

With effect from 1 October 2024, and conditional on the Scheme becoming effective, the Manager's investment management agreement with JFJ shall be amended such that the existing management fee shall be reduced to a tiered fee structure by reference to its Net Asset Value on the following basis:

- 0.6 per cent. on the first £500 million of its Net Asset Value;
- 0.4 per cent. above £500 million and up to £750 million of its Net Asset Value; and
- 0.35 per cent. on its Net Asset Value in excess of £750 million.

The Manager has agreed to make the JPMorgan Costs Contribution to the costs of the Scheme pursuant to which the Manager may elect to waive its entitlement to be paid its management fee with effect from Admission until such time as the value of such waived management fee equals the JPMorgan Costs Contribution.

11 BOARD OF THE COMBINED TRUST

The JFJ Board consists of Stephen Cohen, Anna Dingley, Sally Duckworth, Lord Jonathan Kestenbaum, Sally Macdonald and George Olcott and, conditional on the Scheme becoming effective and with effect from Admission, it is expected that Tom Walker will join the board of the Combined Trust as its seventh member. Further details relating to the JFJ Board members are set out in the JFJ Prospectus.

12 GENERAL

Further details of JFJ, the New JFJ Shares and the proposals for the Combined Trust are set out in the JFJ Prospectus.

PART 3

FURTHER DETAILS OF THE PROPOSALS

1 IMPLEMENTATION OF THE SCHEME

Subject to the passing of the Resolutions (and satisfaction of the other conditions of the Scheme, full details of which are set out in paragraph 14 of Part 4 of this document), the Company will be placed into members' voluntary liquidation and the Scheme will take effect from the Effective Date.

On the Calculation Date, or as soon as practicable thereafter, the Board shall appropriate to the Liquidation Pool such of the cash and other assets of the Company estimated by the Board in consultation with the Liquidators to be sufficient to meet all known and unknown liabilities of the Company and other contingencies, including the costs of the Proposals agreed to be borne by the Company, the Liquidator's retention and the entitlements of any Dissenting Shareholders. Further details of the Liquidation Pool are set out in paragraph 3.2 of Part 4 of this document.

The balance of the cash, undertaking and other assets of the Company will be allocated to the Rollover Pool and the Cash Pool in the manner described in paragraph 3.2 of Part 4 of this document, each of which will represent the respective entitlements of Shareholders to either New JFJ Shares or cash in accordance with the Elections made, or deemed to have been made, under the Scheme.

On the Effective Date, the cash, undertaking and other assets of the Company comprising the Rollover Pool shall be transferred to JFJ. In consideration for the transfer of the Rollover Pool to JFJ under the Transfer Agreement, the relevant numbers of New JFJ Shares will be allotted to the Liquidators who will renounce the New JFJ Shares in favour of the Shareholders who elect or are deemed to have elected for the Rollover Option (save that New JFJ Shares issued in favour of Excluded JSGI Shareholders shall be held by the Liquidators as the nominees for the relevant Excluded JSGI Shareholders).

Shortly following the Effective Date, the Liquidators will distribute the cash held in the Cash Pool to the Shareholders who have elected for the Cash Option in accordance with their respective entitlements under the Scheme.

To the extent that any part of the Liquidation Pool, including the Liquidator's retention, is not subsequently required to discharge the Company's liabilities, it will be distributed in cash to the Shareholders shown on the Register at the Record Date, at the conclusion of the liquidation.

2 ELECTIONS

2.1 Ordinary Shares held in uncertificated form (that is, in CREST)

A Shareholder holding Ordinary Shares in uncertificated form who wishes to make an Election for the Cash Option in respect of all or part of their holding of Ordinary Shares, should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Ordinary Shares for which they wish to make an Election for the Cash Option, specifying Computershare in its capacity as a CREST receiving agent under its participant ID (referred to below) as the escrow agent, as soon as possible and, in any event, so that the TTE Instruction is received no later than 1.00 p.m. on 11 October 2024.

If you hold Ordinary Shares in CREST but under different member account IDs, you should submit a separate TTE Instruction in respect of each member account ID.

If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Your CREST sponsor will be able to confirm details of your participant ID and the member account ID under which your Ordinary Shares are held. In addition, only your CREST sponsor will be able to send the TTE Instruction to Euroclear in relation to your Ordinary Shares.

To make an Election in respect of the Cash Option you should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction to Euroclear, which must be properly authenticated in accordance with Euroclear's specification and which must contain the following details:

- (a) the ISIN number for the Ordinary Shares. This is GB0003165817;

- (b) the number of Ordinary Shares in relation to the relevant Election;
- (c) your member account ID;
- (d) your participant ID;
- (e) the participant ID of the escrow agent, Computershare, in its capacity as a CREST receiving agent. This is: 3RA32;
- (f) the member account ID of the escrow agent, Computershare. This is: JSGISOR1;
- (g) the Corporate Action Number for the Scheme. This is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- (h) the intended settlement date for the transfer to escrow. This should be as soon as possible after receipt of your Election and in any event no later than 1.00 p.m. on 11 October 2024;
- (i) the standard delivery instruction with Priority 80; and
- (j) the contact name and telephone number inserted in the shared note field. These details must be provided in case of any queries arising.

After settlement of the TTE Instruction, you will not be able to access the Ordinary Shares concerned in CREST for any transaction or for charging purposes, notwithstanding that they will be held by Computershare Investor Services PLC as your escrow agent until completion or lapsing of the Scheme.

You are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedures outlined above.

You should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE Instruction relating to your Ordinary Shares to settle prior to 1.00 p.m. on 11 October 2024. In connection with this, you are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

2.2 Ordinary Shares held in certificated form

Shareholders who hold their Ordinary Shares in certificated form (i.e. not in CREST) who wish to make an Election for the Cash Option in respect of all or part of their holding of Ordinary Shares should complete and sign the enclosed personalised Form of Election and insert in Box 2 the total number of Ordinary Shares they wish to elect for the Cash Option, and return the Form of Election using the relevant enclosed reply-paid envelope (for use within the UK only) to the Receiving Agent by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH as soon as possible but, in any event, so as to be received not later than 1.00 p.m. on 11 October 2024. Forms of Election, once submitted, will be irrevocable without the consent of the Directors.

2.3 Scaling back of Elections for the Cash Option

Shareholders are entitled to elect for the Cash Option in respect of more than 25 per cent. of their individual holdings of Ordinary Shares (the “**Basic Entitlement**”, such excess amount being an “**Excess Application**”). However, if aggregate Elections are made for the Cash Option which exceed 25 per cent. of the issued Ordinary Shares (excluding Ordinary Shares held in treasury) as at the Calculation Date, Shareholders who have made an Election for the Cash Option in excess of their Basic Entitlement shall have their Excess Applications scaled back in a manner which is, as near as practicable, *pari passu* and *pro rata* among all Shareholders who have made such Excess Applications.

3 SETTLEMENT AND DEALINGS IN NEW JFJ SHARES

Applications will be made by JFJ to the FCA and the London Stock Exchange for the New JFJ Shares to be admitted to listing in the closed-ended investment funds category of the Official List and to trading on the Main Market of the London Stock Exchange, respectively. If the Scheme

becomes effective, it is expected that the New JFJ Shares will be so admitted and that the first day of dealings will be 25 October 2024.

New JFJ Shares will be issued in registered form and may be held in either certificated or uncertificated form. Shareholders who held their Ordinary Shares in certificated form at the Record Date and who have elected (or are deemed to have elected) for New JFJ Shares will receive their New JFJ Shares in certificated form. It is expected that share certificates in respect of such New JFJ Shares will be despatched to the Shareholders entitled thereto by 8 November 2024.

Shareholders who held their Ordinary Shares in uncertificated form at the Record Date and who have elected (or are deemed to have elected) for New JFJ Shares will receive their New JFJ Shares in uncertificated form on 25 October 2024, although JFJ reserves the right to issue such securities in certificated form. In normal circumstances, this right is only likely to be exercised in the event of an interruption, failure or breakdown of CREST or of the facilities or system operated by the JFJ Registrar in connection with CREST. JFJ will procure that instructions are given to credit the appropriate stock accounts in the CREST system with the relevant entitlements to New JFJ Shares in uncertificated form.

Fractional entitlements to New JFJ Shares will not be issued pursuant to the Scheme and entitlements will be rounded down to the nearest whole number. No cash payment shall be made or returned in respect of any fractional entitlements which will be retained for the benefit of JFJ.

Cheques in respect of the Cash Entitlements due to Shareholders who elect for cash are expected to be despatched to them in the week commencing 4 November 2024. It is expected that Shareholders who hold their Ordinary Shares in CREST will receive their Cash Entitlements through CREST in the week commencing 4 November 2024.

To the extent that a Shareholder already holds JFJ Shares at the Record Date (and the JFJ Registrar is able to match such holdings), any mandates and instructions in relation to those existing JFJ Shares will also apply to any New JFJ Shares received by that Shareholder under the terms of the Scheme. If you do not wish any mandates and other instructions, including communications preferences that you have given to the Company, to apply to your New JFJ Shares, please contact Computershare on the Shareholder Helpline before the Record Date to amend or withdraw such mandates or instructions.

Existing certificates in respect of Ordinary Shares will cease to be of tradable value following suspension of dealings in the Ordinary Shares.

All documents and remittances dispatched to or from Shareholders or their appointed agents in connection with the Proposals will be despatched at Shareholders' own risk.

4 EXCLUDED JSJI SHAREHOLDERS

The issue of New JFJ Shares to persons resident in or citizens of jurisdictions outside the UK may be affected by the laws of the relevant jurisdiction. Such Shareholders should inform themselves about and observe any legal requirements in the relevant jurisdiction. In particular:

- (a) the New JFJ Shares have not been, and will not be, registered under the US Securities Act, and the New JFJ Shares may not be offered, sold, pledged or otherwise transferred within the United States, or to or for the benefit of US Persons, except pursuant to an exemption from the registration requirements of the US Securities Act;
- (b) the New JFJ Shares have not been, and will not be, registered under the securities law of any of Australia, Canada, Japan, the Republic of South Africa or any EEA member state, or their respective territories or possessions. Accordingly, the New JFJ Shares may not (unless an exemption from such legislation or such laws is available) be offered, sold or delivered, directly or indirectly, in or into Australia, Canada, Japan, the Republic of South Africa or any EEA member state, or their respective territories or possessions;
- (c) there has not been and will be no public offer of the New JFJ Shares in the United States;
- (d) JFJ is not, and does not intend to be, registered under the US Investment Company Act and investors are not, and will not be, entitled to the benefits of the US Investment Company Act; and

- (e) no offer is being made, directly or indirectly, under the Scheme, in or into by the use of mails, or by means of instrumentality (including, without limitation, facsimile, or transmission, telex or telephone) of interstate or foreign commerce, or of any facility in a national securities exchange, of, Australia, Canada, Japan, the Republic of South Africa or any EEA member state, or their respective territories or possessions.

It is the responsibility of Shareholders with registered addresses outside the UK to satisfy themselves as to the observance of the laws of the relevant jurisdiction in connection with the issue of New JFJ Shares, including the obtaining of any governmental or exchange control or other consents which may be required, the compliance with any other necessary formalities which need to be observed and the payment of any issue, transfer or other taxes or duties due in such jurisdiction. Shareholders who are subject to taxation outside the UK should consult their independent financial adviser as soon as possible.

To the extent that an Excluded JSGL Shareholder is entitled to and would otherwise receive New JFJ Shares under the Scheme, either because no Election, or a partial Election, for the Cash Option was made or because an Excess Application for the Cash Option is scaled back in accordance with the Scheme, such New JFJ Shares will be issued to the Liquidators as nominees on behalf of such Excluded JSGL Shareholder who will arrange for such shares to be sold promptly by a market maker (without regard to the personal circumstances of the relevant Excluded JSGL Shareholder and the value of the Ordinary Shares held by the relevant Excluded JSGL Shareholder). The net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid: (i) to the relevant Excluded JSGL Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per Excluded JSGL Shareholder will be retained in the Liquidation Pool; or (ii) in respect of Sanctions Restricted Persons, at the sole and absolute discretion of the Liquidators and will be subject to applicable laws and regulations.

Overseas Shareholders will not receive a JFJ Prospectus unless they have satisfied the JFJ Directors that they are entitled to receive and hold New JFJ Shares without breaching any relevant securities laws and without the need for compliance on the part of the Company or JFJ with any overseas laws, regulations, filing requirements or the equivalent. Sanctions Restricted Persons will not receive the JFJ Prospectus.

US Shareholders

The New JFJ Shares are being offered and sold solely (i) outside the United States to persons who are not US Persons in “offshore transactions” as defined in and pursuant to Regulation S under the US Securities Act; and (ii) within the United States to, or to US Persons that are, both “qualified institutional buyers” as defined in Rule 144A under the US Securities Act and “qualified purchasers” as defined in Section 2(a)(51) of the US Investment Company Act pursuant to an exemption from the registration requirements of the US Securities Act, and that, in the case of (ii), have executed a US Investor Representation Letter.

There are significant restrictions on the purchase and resale of the New JFJ Shares by persons that are located in the United States, that are US Persons, or who hold New JFJ Shares for the account or benefit of US Persons and on the resale of New JFJ Shares to any person who is located in the United States or to, or for the account or benefit of, a US Person. If in the future an initial purchaser, as well as any subsequent holder, decides to offer, sell, transfer, assign or otherwise dispose of the New JFJ Shares, they may do so only: (i) outside the United States in an “offshore transaction” complying with the provisions of Regulation S under the US Securities Act to a person not known by the transferor to be a US Person, by pre-arrangement or otherwise; or (ii) to JFJ or a subsidiary thereof.

The Scheme is being implemented subject to United Kingdom disclosure requirements which are different from certain United States disclosure requirements. In addition, US Shareholders should be aware that this document has been prepared in accordance with a UK format and style, which differs from the US format and style. In particular, parts of this document contain information concerning the Scheme required by UK disclosure requirements which may be material and may not have been summarised elsewhere in the document. Furthermore, the Scheme will be subject to other procedural requirements, including with respect to withdrawal rights, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.

The New JFJ Shares are not, and will not be, listed on a US securities exchange and JFJ is not subject to the periodic reporting requirements of the US Exchange Act and is not required to, and does not, file any reports with the SEC. The Scheme is not subject to the disclosure and other procedural requirements of Regulation 14D under the US Exchange Act.

The Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each US Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Scheme.

It may be difficult for US Shareholders to enforce their rights and any claim arising out of the US federal securities laws, since JFJ is located in a foreign country, and all of its officers and directors are citizens and residents of jurisdictions outside the United States. US Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of US securities laws. Further, it may be difficult to compel a foreign company and its affiliates to subject themselves to a US court's judgement.

Whether located in the United States or elsewhere, US Shareholders will receive any cash consideration in Pounds sterling.

Any US Shareholder (or any persons acting for the account or benefit of such US Shareholder) receiving this document is requested to execute the US Investor Representation Letter annexed to the JFJ Prospectus and return it to JFJ and Investec. If a US Shareholder does not execute and return a US Investor Representation Letter, any New JFJ Shares to which such US Shareholder is entitled and which such US Shareholder would otherwise receive under the Scheme will be issued to the Liquidators as nominees for the relevant US Shareholder and sold by the Liquidators in the market (which shall be done by the Liquidators without regard to the personal circumstances of the relevant US Shareholder and the value of the Ordinary Shares held by the relevant US Shareholder) and the net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid to the relevant US Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per US Shareholder will be retained in the Liquidation Pool. US Shareholders who have any questions regarding the submission of the US Investor Representation Letter may call the Registrar, Computershare Investor Services PLC on +44 (0)370 707 4040. Please note that the Registrar cannot give any advice on how US Shareholders should complete the US Investor Representation Letter. Such persons are encouraged to seek their own advice should they have any questions regarding the completion of the US Investor Representation Letter.

Non-US Shareholders are deemed to represent to the Company and JFJ that they are located outside of the United States and are not US Persons (and are not acting for the account or benefit of a US Person).

5 DISSENTING SHAREHOLDERS

Provided that a Shareholder does not vote in favour of the Resolutions to be proposed at the First General Meeting, such Shareholder may, within seven days of the passing of the Resolutions at the First General Meeting, express their dissent to the Liquidators in writing at the registered office of the Company and require the Liquidators to purchase the Shareholder's interest in the Company. The Liquidators will retain an amount of cash, securities and other assets of the Company in the Liquidation Pool which the Liquidators believe is sufficient to purchase the Ordinary Shares of the Dissenting Shareholders at the realisation value, this being an estimate of the amount a Shareholder would receive per Ordinary Share in an ordinary winding up of the Company if all assets of the Company had to be realised and distributed to Shareholders after repayment of the liabilities of the Company. The realisation value of an Ordinary Share is expected to be below the unaudited cumulative Net Asset Value per Share and the Liquidators may not purchase the interests of Dissenting Shareholders until all other liabilities of the Company have been settled and HMRC has confirmed that it has no objections to the closure of the liquidation. Dissenting Shareholders should note that it may take an extended period of time for the liquidation process to end and for their Ordinary Shares to be purchased by the Liquidators.

6 COMMON REPORTING STANDARDS

Investment trusts are required to report the tax residence of their shareholders. Subject to the Scheme becoming effective, those Shareholders of the Company that are not already on the register of JFJ and who hold their New JFJ Shares in certificated form may be sent a document along with their new share certificate in the enlarged JFJ which those Shareholders should complete and return to JFJ or its agent.

7 UK TAXATION

The information set out below are a general guide to certain aspects of current UK taxation applicable to the Company and its Shareholders who are resident only in the UK for tax purposes and, in the case of an individual, domiciled or deemed domiciled for UK tax purposes solely in the UK. The comments only apply to Shareholders who are the absolute beneficial owners of their Shares and who hold their Shares as an investment. Accordingly, this information may not relate to certain categories of Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their Shares in connection with their employment, who may be taxed differently. The information is based on existing UK taxation law and HMRC published practice (which may not be binding on HMRC) in force as at the date of this document, which are subject to change (possibly with retrospective effect). The information is given by way of general guide only and does not constitute legal or tax advice to any person.

This document does not address the US federal income tax or any other non-UK tax considerations applicable to the Proposals, including an investment in the New JFJ Shares. Each Shareholder should consult its own tax advisers regarding the US federal income tax consequences or any other consequences under any applicable local tax laws.

Shareholders are advised to consult their professional advisers as to their tax position in relation to the Proposals.

7.1 The Company

The Company has obtained approval from HMRC as satisfying the conditions for approval as an investment trust under section 1158 of the Corporation Tax Act 2010 and Chapter 1 of Part 2 of the Investment Trust (Approved Company) (Tax) Regulations 2011.

The Proposals should not prejudice the ability of the Company to retain its investment trust status in respect of the current accounting period, which will end on the day immediately preceding the Effective Date if the Company is placed into members' voluntary liquidation on that day. Furthermore, the proposed method of winding up the Company and the scheme of reconstruction is such that pursuant to regulations 15 and 16 of the Investment Trust (Approved Company) (Tax) Regulations 2011, the Company should remain eligible to be treated as an investment trust for the accounting period which includes the date on which its assets are sold and/or transferred by the Liquidators pursuant to the Transfer Agreement. Accordingly, the transfer of the Company's assets held within the Rollover Pool and the realisation of the Company's assets held within the Cash Pool and the Liquidation Pool under the Scheme should not give rise to a liability to UK taxation of chargeable gains for the Company. However, there can be no absolute assurance that investment trust status will be preserved and the absence of such status in any accounting period would mean the Company would be liable to pay UK taxation on its chargeable gains (net of any allowable losses) in that period.

7.2 Shareholders

(a) Reclassified Shares

For the purposes of UK taxation of chargeable gains, a Shareholder should not be regarded as having disposed of their Ordinary Shares on the reclassification of the Ordinary Shares into Ordinary Shares with "A" rights and Ordinary Shares with "B" rights (as relevant). Instead, the Shareholder should be regarded as having acquired the Reclassified Shares at the same time and for the same aggregate base cost as their original holding of Ordinary Shares.

Where a Shareholder's Ordinary Shares are reclassified into both Ordinary Shares with "A" rights and Ordinary Shares with "B" rights, the Shareholder's base cost in their original holding of Ordinary Shares should be apportioned by reference to the respective market values of the Ordinary Shares with "A" rights and Ordinary Shares with "B" rights received, as at the time the Reclassified Shares are first listed.

(b) **Cash Option**

Shareholders who receive cash under the Scheme pursuant to the Cash Option should be regarded as having made a disposal of their Ordinary Shares with "B" rights on the distribution of cash by the Liquidators and may be subject to UK taxation of chargeable gains depending on the particular circumstances of the Reclassified Shareholder concerned.

(c) **Rollover Option**

The Company has been advised that the exchange of Ordinary Shares with "A" rights for New JFJ Shares pursuant to the Rollover Option should constitute a scheme of reconstruction for the purposes of the UK taxation of chargeable gains, and that such exchange should not constitute a disposal of the Ordinary Shares with "A" rights for the purposes of the UK taxation of chargeable gains. Instead, the New JFJ Shares issued pursuant to the Rollover Option should be treated as replacing the Ordinary Shares with "A" rights for which they were exchanged and should be treated as having been acquired at the same time and for the same base cost as those Ordinary Shares with "A" rights are treated as having been acquired.

Any subsequent disposal of the New JFJ Shares may result in the holder of those New JFJ Shares realising a chargeable gain or allowable loss for the purposes of UK taxation of chargeable gains, depending on the holder's particular circumstances.

(d) **Liquidation Pool surplus**

As provided for in paragraph 9 of Part 4 of this document, any remaining balance in the Liquidation Pool after the discharge of the Company's liabilities will be distributed in cash to the Shareholders on the Register on the Record Date.

To the extent that Shareholders receive such a distribution from the Liquidation Pool in respect of their Ordinary Shares with "A" rights or "B" rights, the amount received will generally be treated as consideration for a disposal of their shares. This is subject to an exception for certain "small" capital distributions which, if applicable, may instead allow the Shareholder to treat the base cost attributable to their relevant shares as reduced by the amount of the small capital distribution (to the extent it does not exceed the base cost).

(e) **HMRC clearance**

Shareholders who hold, alone or together with persons connected with the, more than 5 per cent of the Ordinary Shares in issue should note that an application for clearance has been submitted to HMRC pursuant to section 138 of the TCGA that the treatment described above under "Rollover Option" is not to be prevented, by virtue of section 137(1) of the TCGA, from applying to them. The application also seeks confirmation that HMRC will not seek to confirm that no counteraction notice under section 698 of the Income Tax Act 2007 or section 746 of Corporation Tax Act 2010 will be served in respect of the Proposals.

(f) **Dissenting Shareholders**

On Liquidators purchasing the Ordinary Shares of a Dissenting Shareholder, the purchase price paid for their Ordinary Shares will not exceed that which the Dissenting Shareholder would receive on a straightforward winding up of the Company. A Dissenting Shareholder who receives such a cash payment will be treated as disposing of the relevant Ordinary Shares and may, depending on that Shareholder's particular

circumstances, realise a chargeable gain for the purposes of UK taxation of chargeable gains.

(g) **ISAs and SIPPs**

New JFJ Shares are eligible for inclusion in an ISA or SIPP. Accordingly, where Ordinary Shares currently held within an ISA or SIPP are exchanged for New JFJ Shares pursuant to the Rollover Option, those New JFJ Shares can generally be retained within the ISA or SIPP, subject to the specific terms applicable to the ISA or SIPP. Similarly, where cash is received pursuant to the Cash Option in respect of Ordinary Shares held within an ISA or SIPP, that cash may also generally be retained within the ISA or SIPP.

(h) **Stamp duty and SDRT**

It is not expected that any UK stamp duty or SDRT will be payable by the Company or the Shareholders in relation to the liquidation of the Company or on the receipt by Shareholders of New JFJ Shares under the Rollover Option. UK stamp duty and SDRT may be incurred by the Company in relation to the realignment of the Company's investment portfolio prior to the Effective Date and by JFJ in relation to the transfer of chargeable assets within the Rollover Pool, in addition to other non-UK transfer taxes that may be payable. Non-UK transfer taxes may also be payable by the Company on the transfer of the assets comprising the Rollover Pool to JFJ.

PART 4

THE SCHEME

1 DEFINITIONS AND INTERPRETATION

Words and expressions defined in Part 7 of this document have the same meanings when used in this Scheme. Save as otherwise provided in this Part 4, any Ordinary Shares held by persons who validly exercise their rights under section 111(2) of the Insolvency Act shall be disregarded for the purposes of this Part 4 and shall be treated as if those Ordinary Shares were not in issue.

2 ELECTIONS AND ENTITLEMENTS UNDER THE SCHEME

- 2.1 The maximum number of Ordinary Shares (in aggregate) that can be elected for the Cash Option is 25 per cent. of the total number of Ordinary Shares in issue (excluding Ordinary Shares held in treasury) as at the Calculation Date. Each Shareholder who validly elects to receive the Cash Option in respect of up to 25 per cent. of their individual holding of Ordinary Shares as at the Calculation Date, rounded down to the nearest whole share, will receive the full amount of cash for which they have elected (the “**Basic Entitlement**”). Shareholders are entitled to elect to receive cash in respect of more than their Basic Entitlement (such excess amount being an “**Excess Application**”). However, in the event that aggregate Elections are made for the Cash Option which exceed 25 per cent. of the issued Ordinary Shares (excluding Ordinary Shares held in treasury) as at the Calculation Date, Shareholders who have made an Election for the Cash Option in excess of their Basic Entitlement shall have their Excess Applications scaled back in a manner which is, as near as practicable, *pari passu* and *pro rata* among all Shareholders who have made such Excess Applications such that the aggregate number of Ordinary Shares so elected shall equal 25 per cent. of the total number of Ordinary Shares in issue (excluding Ordinary Shares held in treasury) as at the Calculation Date. Ordinary Shares which are subject to such scaling back will be deemed to have elected for the Rollover Option.
- 2.2 Subject to the first Resolution contained in the notice of the First General Meeting being passed and becoming unconditional:
- (a) the Ordinary Shares in respect of which the holders have made, or are deemed to have made (including as a result of scaling back any Excess Applications in accordance with paragraph 2.1 of this Part 4), valid Elections for the Rollover Option will be reclassified as Ordinary Shares with “A” rights; and
 - (b) the Ordinary Shares in respect of which the holders have made, or are deemed to have made (after scaling back any Excess Applications in accordance with paragraph 2.1 of this Part 4), valid Elections for the Cash Option will be reclassified as Ordinary Shares with “B” rights.
- 2.3 The rights of the Ordinary Shares following the passing of such Resolution will be the rights as set out in Article 4.4 and 166.2 to be inserted in the Articles pursuant to the first Resolution contained in the notice of the First General Meeting and references to Shareholders will be construed accordingly.
- 2.4 In advance of the Effective Date, the Directors intend that the Company (or its agents) will have, to the extent practicable, realised or realigned the undertaking and business carried on by the Company in order to repay its existing debt facilities, fund the Liquidation Pool and the Cash Pool and will hold investments suitable for transfer to JFJ by virtue of the Transfer Agreement.
- 2.5 Holders of Reclassified Shares with “A” rights will receive such number of New JFJ Shares as is calculated pursuant to paragraph 8.1 of this Part 4.
- 2.6 Holders of Reclassified Shares with “B” rights will receive the net realisation proceeds of such portion of the Cash Pool to which they are entitled which is expected to be the JSGI Cash FAV per Share multiplied by the total number of Reclassified Shares with “B” rights held by them and rounded down to the nearest penny.

3 APPORTIONMENT OF THE COMPANY'S TOTAL ASSETS

- 3.1 Subject to the Resolutions contained in the notice of the First General Meeting being passed at such meeting and becoming unconditional, on the Calculation Date, or as soon as possible thereafter, the Directors, in consultation with the proposed Liquidators, shall calculate the aggregate value of the total assets of the Company, the JSGI Residual FAV, the JSGI Rollover Pool FAV, the JSGI Rollover FAV per Share, the JSGI Cash Pool FAV and the JSGI Cash FAV per Share in accordance with paragraph 4 below.
- 3.2 On the Calculation Date, or as soon as practicable thereafter, the Directors and JPMorgan, in consultation with the proposed Liquidators, shall procure the finalising of the division of the Company's undertaking, cash and other assets into three separate and distinct pools, namely the Liquidation Pool, the Cash Pool and the Rollover Pool, as follows and in the following order:
- (a) first, there shall be appropriated to the Liquidation Pool cash and other assets of the Company which the Liquidators may call in, realise and convert into cash as they consider necessary, of a value calculated in accordance with paragraph 4.1 of this Part 4, which is estimated by the proposed Liquidators to be sufficient to meet the current and future, actual and contingent liabilities of the Company, including, without prejudice to the generality of the foregoing and save to the extent that the same have already been paid or already deducted in calculating the total assets of the Company:
- (i) the costs and expenses incurred and to be incurred by the Company and the proposed Liquidators in formulating, preparing and implementing the Proposals and the Scheme and in preparing this document and all associated documents in each case as not otherwise paid prior to the liquidation;
 - (ii) the costs and expenses incurred and to be incurred by the Company and the Liquidators in preparing and implementing the Transfer Agreement;
 - (iii) the costs of purchasing (or making provision for the purchase of) the interests of Shareholders who have validly exercised their rights to dissent from the Scheme under section 111(2) of the Insolvency Act;
 - (iv) any unclaimed dividends of the Company (so far as not previously paid) and any declared but unpaid dividends of the Company;
 - (v) the costs and expenses of liquidating the Company, including the fees and expenses of the Liquidators and the Receiving Agent;
 - (vi) any unquoted assets in the portfolio of the Company (as applicable and provided such assets shall be valued at nil);
 - (vii) any tax liabilities of the Company;
 - (viii) a provision for possible non-receipt of any receivables or contingent assets as at the Calculation Date, where such receivables or contingent assets have been transferred to the Liquidation Pool, including recoveries or refunds of withholding or other taxes; and
 - (ix) an amount considered by the proposed Liquidators to be appropriate to provide for any unascertained, unknown or contingent liabilities of the Company (such amount not expected to exceed £100,000 in aggregate),
- in each case including any VAT in respect thereof; and
- (b) second, there shall be appropriated to the Cash Pool and the Rollover Pool all the undertaking, cash and other assets of the Company remaining after the appropriation referred to in paragraph (a) above, on the following basis:
- (i) there shall first be appropriated to the Cash Pool such proportion of the cash as shall equal the JSGI Cash Pool FAV as set out in paragraph 3.4 of this Part 4; and
 - (ii) there shall be appropriated to the Rollover Pool the balance of the undertaking, cash and assets of the Company, including, for the avoidance of doubt, the benefit of the Cash Option Discount and JSGI's portion of the JPMorgan Costs Contribution to ensure that the Proposals are cost-neutral for continuing shareholders in the

Combined Trust, as the Company, acting by its proposed Liquidators in consultation with the other parties to the Transfer Agreement, shall determine as being suitable for the purpose, and so as not to cause any infringement of the investment objective and investment policy of JFJ.

- 3.3 The JSGL Residual FAV shall be equal to the gross assets of the Company as at the Calculation Date (calculated in accordance with the Company's normal accounting policies), less: (i) the value of the cash and other assets appropriated to the Liquidation Pool (which includes any assets attributed to any Dissenting Shareholders); and (ii) any dividend which has been declared as at the Calculation Date but not yet paid to Shareholders, and not accounted for in the JSGL NAV, but excluding any adjustment for the JPMorgan Costs Contribution; plus (iii) an amount equal to any costs relating to the realignment of the Company's portfolio in relation to the Scheme already incurred.
- 3.4 The JSGL Cash Pool FAV shall be equal to the JSGL Residual FAV multiplied by the proportion of Reclassified Shares with "B" rights to the total number of Reclassified Shares: (i) minus 2 per cent. (the "**Cash Option Discount**"); and (ii) minus the costs incurred in realising portfolio assets to create the Cash Pool (the "**Cash Pool Realisation Costs**"). The JSGL Cash FAV per Share (expressed in pence) shall be equal to the JSGL Cash Pool FAV divided by the total number of Reclassified Shares with "B" rights, and rounded down to six decimal places.
- 3.5 The JSGL Rollover Pool FAV shall be equal to the JSGL Residual FAV multiplied by the proportion of Reclassified Shares with "A" rights to the total number of Reclassified Shares (excluding shares held in treasury): (i) plus an amount reflecting the benefit of the JPMorgan Costs Contribution to the Company (being equal to the fixed costs of the Proposals payable by the Company); (ii) less the Realignment Costs; and (iii) plus an amount equal to the aggregate value of the Cash Option Discount, capped at the value of the Realignment Costs. The JSGL Rollover FAV per Share (expressed in pence) shall be equal to the JSGL Rollover Pool FAV divided by the total number of Reclassified Shares with "A" rights and rounded down to six decimal places.
- 3.6 Interest, income and other rights or benefits accruing in respect of any of the cash or other assets comprised in any of the Liquidation Pool, Cash Pool or Rollover Pool shall form part of that pool, provided that any income, dividend, distribution, interest or other right or benefit on any investment marked "ex" the relevant income, dividend, distribution, interest or other right or benefit at or prior to the Calculation Date shall be deemed to form part of the Liquidation Pool.

4 CALCULATIONS OF VALUE

- 4.1 Except as otherwise provided in the Scheme, for the purposes of calculating the value of the Company's assets at any time and date at which the calculation of value is required by the Scheme, the assets and liabilities of the Company shall be valued on the following basis:
- (a) investments which are listed, quoted or traded on any recognised stock exchange will be valued by reference to the bid price on the principal stock exchange where the relevant investment is listed, quoted or traded at the Relevant Time and according to the prices shown by the relevant exchange's method of publication of prices for such investments or, in the absence of such recognised method by the latest price available prior to the Relevant Time. If the relevant exchange is not open for business at the Relevant Time, the investments will be valued as at the latest day prior to the relevant date on which the relevant stock exchange was open for business;
 - (b) unlisted investments or quoted investments which are subject to restrictions on transferability or which, in the opinion of the Directors (or a duly constituted committee thereof) are otherwise illiquid shall be valued at their fair value as determined by the Directors and any unquoted or hard to value assets shall be valued at nil;
 - (c) cash and deposits with, or balances at, a bank together with all bills receivable, money market instruments and other debt securities not included in paragraphs (a) or (b) above and held by the Company as at the Relevant Time will be valued at par (together with interest accrued up to the Calculation Date);
 - (d) any sums owing from debtors (including any dividends due but not paid and any accrual of interest on debt-related securities to the extent not already taken into account under

paragraphs (a) and (b) above) as at the Relevant Time shall be valued at their actual amount less such provision for diminution of value (including provisions for bad or doubtful debts or discount to reflect the time value of money) as may be determined by the Directors;

- (e) assets denominated in currencies other than sterling will be converted into sterling at the closing mid-point rate of exchange of sterling and such other currencies prevailing as at the Relevant Time as may be determined by the Directors; and
- (f) liabilities shall be valued in accordance with the Company's normal accounting policies.

In this paragraph 4.1, the "**Relevant Time**" means the time and date at which any calculation of value is required by the Scheme to be made. The Directors shall consult with the Liquidators in making determinations pursuant to this paragraph 4.1.

- 4.2 Notwithstanding the foregoing, the Directors or a duly authorised committee thereof, may, in their absolute discretion (but in consultation with the Liquidators), permit an alternative method of valuation to be used if, acting in good faith, they consider that such valuation better reflects the fair value of any asset or security. None of the Directors, the Company or the Liquidators will be under any liability by reason of the fact that a valuation believed to be appropriate may subsequently be found not to have been appropriate.
- 4.3 None of the Company, the Directors, the Manager, the Investment Manager, JFJ, the JFJ Directors nor the Liquidators shall be under any liability by reason of the fact that a price reasonably believed to be the appropriate market price of any listed investment or any valuation reasonably believed to be appropriate may subsequently be found not to have been the appropriate market price or valuation, except in the case of fraud or bad faith.

5 PROVISION OF INFORMATION BY THE LIQUIDATORS

On the Effective Date, or as soon as practicable thereafter, the Liquidators shall procure that there shall be delivered to JFJ (or its nominee) particulars of the undertaking, cash and other assets comprising the Rollover Pool in accordance with the terms of the Transfer Agreement and a list, certified by the Receiving Agent, of the names and addresses of each holder of Reclassified Shares with "A" rights and the number of Reclassified Shares with "A" rights held by each of them.

6 TRANSFER OF ASSETS AND LIABILITIES

- 6.1 On the Effective Date, or as soon as practicable thereafter, JFJ and the Liquidators (in their personal capacity and on behalf of the Company) shall enter into and implement the Transfer Agreement (subject to such modifications as may be agreed between the parties thereto), whereby the Liquidators shall procure the transfer of the cash, undertaking and other assets of the Company comprising the Rollover Pool to JFJ (or its nominee), in consideration for the allotment of New JFJ Shares to the Liquidators (as nominees for the Shareholders entitled to them), such shares to be renounced by the Liquidators in favour of the holders of Reclassified Shares with "A" rights on the basis referred to in paragraph 8 below.
- 6.2 The Transfer Agreement provides that the assets to be transferred to JFJ shall be transferred with such rights and title as the Company may have in respect of the same or any part thereof subject to and with the benefit of all and any rights, restrictions, obligations, conditions and agreements affecting the same or any part thereof, including the right to all income, dividends, distributions, interest and other rights and benefits attaching thereto or accruing therefrom but excluding any income, dividend, distribution, interest or other right or benefit on any investment marked "ex" the relevant income, dividend, distribution, interest or other right or benefit at or prior to the Calculation Date (which shall be deemed to form part of the Liquidation Pool). The Transfer Agreement further provides that the Company, acting through the Liquidators, insofar as they are reasonably able to do so by law or otherwise, shall comply with all reasonable requests made by JFJ (or its nominee) in respect of the cash, undertaking and other assets of the Company to be acquired and shall, in particular, account to JFJ for all income, dividends, distributions, interest and other rights and benefits in respect of such cash, undertaking and other assets, received after the Effective Date.

7 DISTRIBUTION OF THE CASH POOL

Cash Entitlements payable to the holders of Reclassified Shares with “B” rights shall be distributed by the Liquidators, through the Receiving Agent and pursuant to the Scheme, in cash to each such holder who has elected for the Cash Option in proportion to its respective holding of Reclassified Shares with “B” rights.

8 ISSUE OF NEW JFJ SHARES

8.1 In consideration for the transfer of the Rollover Pool to JFJ in accordance with paragraph 6 above, the New JFJ Shares shall be issued to holders of Ordinary Shares with “A” rights on the basis that the number of such shares to which each such holder is entitled shall be determined in accordance with the following formula (rounded down to the nearest whole number of JFJ Shares):

$$\text{Number of JFJ Shares} = \frac{A \times C}{B}$$

where:

A is the JSGL Rollover FAV per Share (as at Calculation Date);

B is the JFJ FAV per Share (as at Calculation Date); and

C is the aggregate number of Reclassified Shares with “A” rights held by the relevant Shareholder.

8.2 No value shall be attributable to Ordinary Shares held in treasury by the Company. Fractions of New JFJ Shares will not be issued under the Scheme and entitlements to such New JFJ Shares will be rounded down to the nearest whole number. Any assets representing a fraction of the entitlements of holders of Reclassified Shares with “A” rights and whose holding of New JFJ Shares is rounded down shall be retained by JFJ and represent an accretion to its assets.

8.3 The New JFJ Shares to be issued pursuant to paragraph 8.1 will be allotted, credited as fully paid, to the Liquidators (as nominees for the Shareholders entitled thereto) as soon as practicable after the delivery to JFJ (or its nominee) of the particulars referred to in paragraph 5 above, whereupon the Liquidators will renounce the allotments of New JFJ Shares in favour of Shareholders entitled to them under the Scheme. On such renunciation, JFJ will issue the New JFJ Shares to the Shareholders entitled thereto. JFJ shall:

(a) in the case of the New JFJ Shares issued in certificated form, arrange for the despatch of certificates for such shares issued under the Scheme to the Shareholders entitled thereto at their respective addresses in the Register (and, in the case of joint holders, to the address of the first-named) or to such other person and address as may be specified by such persons in writing, in each case at the risk of the persons entitled thereto; and

(b) in the case of the New JFJ Shares issued in uncertificated form, procure that Euroclear is instructed on the Business Day following the Effective Date (or as soon as practicable thereafter) to credit the appropriate stock accounts in CREST of the Shareholders entitled thereto with their respective entitlements to New JFJ Shares issued under the Scheme.

8.4 JFJ shall be entitled to assume that all information delivered to it in accordance with paragraph 8.3 above is correct and to utilise the same in procuring registration in the JFJ register of members of the holders of the New JFJ Shares issued under the Scheme.

9 APPLICATION OF LIQUIDATION POOL

On or following the Effective Date, the Liquidation Pool shall be applied by the Company (acting through the Liquidators) in discharging the liabilities of the Company. The remaining balance of the Liquidation Pool, if any, shall be distributed in cash by the Liquidators pursuant to the Scheme, to all Shareholders (excluding Ordinary Shares held in treasury) (in each case being those Shareholders on the Record Date in proportion to their respective holdings of Ordinary Shares on the Record Date) provided that if any such amount payable to any Shareholder is less than £5.00, it shall not be paid to Shareholders but instead shall be retained by the Company and sent to charity. The Liquidators will also be entitled to make interim payments to Shareholders in proportion to their

holdings of Ordinary Shares. The Liquidators shall only make such distribution if there is sufficient cash available and if the Liquidators are of the view that it is cost effective to make an interim distribution. For these purposes, any Ordinary Shares held by Dissenting Shareholders will be ignored.

10 FORMS OF ELECTION

For the purposes of the Forms of Election, the provisions of which form part of the Scheme:

- (a) if, on any Form of Election, the total of a Shareholder's Election is greater than their actual holding as at the Record Date, each Election made by such Shareholder on that Form of Election shall be decreased, so that the total of such Election(s) shall equal their total holding and, in any such case, such decreased Election(s) shall be deemed to be the Election(s) made by such Shareholder on the Form of Election for all purposes of this Scheme;
- (b) if, on any Form of Election, the total of a Shareholder's Elections is less than their actual holding as at the Record Date, then for the balance of such Shareholder's Shares, that Shareholder will be deemed to have elected for the Rollover Option;
- (c) a Shareholder who makes no Election by the due date, or in respect of whom no Form of Election has been duly and validly completed in accordance with the instructions therein, shall be deemed to have made an Election for the Rollover Option in respect of all of the Ordinary Shares held by them for all purposes of the Scheme;
- (d) by signing and delivering a Form of Election and in consideration of the Company agreeing to process the Form of Election, a Shareholder agrees that the Election made on the Form of Election will be irrevocable (other than with the consent of the Directors) and, by such signature and delivery, such Shareholder represents and warrants that their Election is valid and binding and is made in accordance with all applicable legal requirements (including the requirements of any applicable jurisdiction outside the UK); and
- (e) any questions as to the extent (if any) to which Elections will be met and as to the validity of any Form of Election shall be at the discretion of the Directors, whose determination shall be final.

11 MODIFICATIONS

The provisions of the Scheme will have effect subject to such non-material modifications or additions as the Directors and the parties to the Transfer Agreement may from time to time approve in writing.

12 RELIANCE ON INFORMATION

The Company, the Directors, the Liquidators, the Manager, the Investment Manager, the JFJ Directors and JFJ shall be entitled to act and rely, without enquiry, on any information furnished or made available to them or any of them (as the case may be) in connection with the Scheme and the Transfer Agreement, including, for the avoidance of doubt, any certificate, opinion, advice, valuation, evidence or other information furnished or made available to them by the Company, the Directors (or any of them), the Manager, the Investment Manager, JFJ, the JFJ Directors (or any of them), or the Receiving Agent, auditors, bankers, managers, custodians or other professional advisers, and no such person shall be liable or responsible for any loss suffered as a result thereof by the Company, any Shareholder, JFJ or any JFJ Shareholder.

13 LIQUIDATORS' LIABILITY

Nothing in the Scheme or in any document executed under or in connection with the Scheme will impose any personal liability on the Liquidators or either of them save for any liability arising out of any negligence, fraud, bad faith, breach of duty or wilful default by the Liquidators in the performance of their duties and this will, for the avoidance of doubt, exclude any such liability for any action taken by the Liquidators in accordance with the Scheme, the Transfer Agreement or any act which the Liquidators do or omit to do at the request of JFJ.

14 CONDITIONS

14.1 The Scheme is conditional upon:

- (a) the recommendation of the boards of the Company and JFJ to proceed with the Proposals which may be withdrawn by either board at any time;
- (b) the JFJ Share Allotment Authority being approved by JFJ Shareholders and not having been revoked or superseded;
- (c) passing of the Resolutions to be proposed at the First General Meeting and the Resolution to be proposed at the Second General Meeting or any adjournment of those meetings and upon any conditions of such Resolutions being fulfilled; and
- (d) the FCA agreeing to admit the New JFJ Shares to listing in the closed-ended investment funds category of the Official List and the London Stock Exchange agreeing to admit the New JFJ Shares to trading on its Main Market, subject only to allotment.

14.2 In the event that any of the conditions in paragraph 14.1 fails to be satisfied (other than in relation to the Resolution to be proposed at the Second General Meeting), the Second General Meeting will be adjourned indefinitely and the Scheme will lapse.

14.3 Subject to paragraphs 14.1 and 14.5, the Scheme will become effective on the date on which the Resolution for the winding-up of the Company to be proposed at the Second General Meeting (or any adjournment thereof) is passed.

14.4 If it becomes effective, the Scheme will, subject to the rights of any Shareholders who have validly exercised their rights under section 111(2) of the Insolvency Act, be binding on all Shareholders and on all persons claiming through or under them.

14.5 Unless the conditions set out in paragraph 14.1 have been satisfied or, to the extent permitted, waived by both the Company and JFJ on or before 30 November 2024, the Scheme shall not become effective.

14.6 An application will be made to the FCA for the listing of the Reclassified Shares to be suspended, subject to paragraph 14.1 above (other than in relation to the Resolution to be proposed at the Second General Meeting), at 7.30 a.m. on 24 October 2024 and it is intended that, subject to paragraph 14.1, such listing will be cancelled with effect from or as soon as possible after the Effective Date, or such other date as the Liquidators will determine.

15 EXCLUDED JSGL SHAREHOLDERS

15.1 Any New JFJ Shares allotted to the Liquidators and which would otherwise be issued to an Excluded JSGL Shareholder pursuant to the Scheme will instead be issued to the Liquidators as nominees on behalf of such Excluded JSGL Shareholder who will arrange for such shares to be sold promptly by a market maker (without regard to the personal circumstances of the relevant Excluded JSGL Shareholders and the value of the Ordinary Shares held by the relevant Excluded JSGL Shareholders), in circumstances in which the Liquidators and/or JFJ acting reasonably consider that notwithstanding that Excluded JSGL Shareholder's entitlement to such New JFJ Shares under the Scheme, any such issue of New JFJ Shares to that Shareholder would or may involve a breach of the securities laws or regulations of any jurisdiction, or if the Liquidators and/or JFJ reasonably believes that the same may violate any applicable legal or regulatory requirements or may require JFJ to become subject to additional regulatory requirements (to which it would not be subject but for such issue) and the Liquidators and/or JFJ, as the case may be, have not been provided with evidence reasonably satisfactory to them that the relevant Excluded JSGL Shareholders are permitted to hold New JFJ Shares under any relevant securities laws or regulation of such overseas jurisdictions (or that JFJ would not be subject to any additional regulatory requirements to which it would not be subject but for such issue). The net proceeds of such sales (after deduction of any costs incurred in effecting such sales) will be paid: (i) to the relevant Excluded JSGL Shareholders entitled to them within 10 Business Days of the date of sale, save that entitlements of less than £5.00 per Excluded JSGL Shareholder will be retained in the Liquidation Pool; and (ii) in respect of Sanctions Restricted Persons at the sole and absolute discretion of the Liquidators and will be subject to applicable laws and regulations.

- 15.2 Any US Shareholder (or any persons acting for the account or benefit of such US Shareholder) receiving this document is requested to execute a US Investor Representation Letter annexed to the JFJ Prospectus and return it to JFJ and Investec. If you have any queries relating to the submission of the US Investor Representation Letter, please contact Computershare at JFJOffer@computershare.co.uk or call 0370 707 4040.
- 15.3 The Company and JFJ reserve the right, in their absolute discretion, to investigate in relation to US Shareholders, whether the representations and warranties set out in the US Investor Representation Letter appended to the JFJ Prospectus given by any US Shareholder are correct. Furthermore, if a US Shareholder does not execute and return the US Investor Representation Letter, any New JFJ Shares to which such US Shareholder is entitled and would otherwise receive, to be issued to the Liquidators as nominees for the relevant US Shareholders and sold by the Liquidators in the market (which shall be done by the Liquidators without regard to the personal circumstances of the relevant US Shareholder and the value of the Ordinary Shares held by the relevant US Shareholder) and the net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid to the relevant US Shareholder entitled to them within 10 Business Days of the date of sale, save that entitlements of less than £5.00 per US Shareholder will be retained in the Liquidation Pool. US Shareholders should see "*US Shareholders*" in Part 3 of this document.
- 15.4 Non-US Shareholders are deemed to represent to the Company and JFJ that they are located outside of the United States and are not US Persons (and are not acting for the account or benefit of a US Person).
- 15.5 The provisions of this Scheme relating to Overseas Shareholders may be waived, varied or modified as regards a specific Shareholder or on a general basis by the Directors and the JFJ Directors in their respective absolute discretions.

16 GENERAL

- 16.1 Any instructions for the payment of dividends on Ordinary Shares in force on the Effective Date and lodged with the Company and/or the Receiving Agent shall, unless and until revoked by notice in writing to the Receiving Agent, continue to apply in respect of distributions or allocations of, or the other application of, monies under the Scheme or in respect of the issue of New JFJ Shares under the Scheme. To the extent that a Shareholder already holds JFJ Shares at the Record Date (and the JFJ Registrar is able to match such holdings), any mandates and instructions in relation to those existing JFJ Shares will also apply to any New JFJ Shares received by that Shareholder under the terms of the Scheme. If you do not wish any mandates and other instructions, including communications preferences that you have given to the Company, to apply to your New JFJ Shares, please contact Computershare on the Shareholder Helpline before the Record Date to amend or withdraw such mandates or instructions.
- 16.2 If, within seven days after the passing of the Resolutions proposed at the First General Meeting, Shareholders validly exercise their rights under section 111(2) of the Insolvency Act in respect of more than 5 per cent. in nominal value of the issued Ordinary Shares, the Directors (or a duly authorised committee thereof) may, but will not be obliged to, resolve not to proceed with the Scheme. Any such resolution by the Directors (or a duly authorised committee thereof) will only be effective if passed prior to the passing of the Resolution for winding-up the Company to be proposed at the Second General Meeting (or any adjournment thereof).
- 16.3 Ordinary Shares which are held in treasury by the Company shall not have any entitlements under the Scheme.
- 16.4 The Scheme shall be governed by, and construed in accordance with, the laws of England.

PART 5

RISK FACTORS

The risks referred to below are the material risks known to the Directors at the date of this document which the Directors believe Shareholders should consider prior to deciding how to cast their votes on the Resolutions. Any investment in the Combined Trust (pursuant to the Scheme or otherwise) will be governed by the JFJ Prospectus and the JFJ Articles. Shareholders are strongly urged to read the JFJ Prospectus, and, in particular the section containing the risk factors contained therein. Shareholders in any doubt as to the contents of this document or as to what action to take, should consult an appropriately qualified independent adviser without delay.

The Scheme

Implementation of the Proposals is conditional, among other things, upon the Resolutions being passed at the General Meetings and the passing of the JFJ Share Allotment Authority at the JFJ General Meeting. In the event that any of the conditions of the Proposals is not met, the Proposals will not be implemented. The Directors may then consider alternative options for the future of the Company, which may result in additional costs being incurred.

In advance of the Effective Date, the Directors intend that the Company (or its agents) will have, to the extent practicable, realised or realigned the business carried on by the Company in order to repay its existing debt facilities, fund the Cash Option and fund the Liquidation Pool. If the Scheme fails to proceed, a portion of the Company's portfolio may therefore be held as assets which may need to be reinvested or realigned and in a rising market the loss of gearing would be a drag on returns and the portfolio will no longer be geared. As a result, the Company may incur additional reinvestment or realignment costs if the Scheme does not proceed and such costs will be borne by the Company.

Shareholders' illustrative entitlements set out in Part 1 of this document should not be regarded as forecasts. The JSGI Rollover FAV per Share, the JFJ FAV per Share and the JSGI Cash FAV per Share and Shareholders' entitlements under the Proposals may materially change up to the Effective Date as a result of, *inter alia*, changes in the value of investments.

If a Shareholder wishes to elect for more than their Basic Entitlement under the Cash Option and total Elections for the Cash Option made by all Shareholders are greater than 25 per cent. of the total issued Ordinary Shares (excluding Ordinary Shares held in treasury) at the Calculation Date, then such Shareholder's Excess Election will be scaled back resulting in such Shareholder (other than an Excluded JSGI Shareholder) receiving New JFJ Shares instead of cash in respect of part of their holding of Ordinary Shares.

Dissenting Shareholders

The Liquidators will offer to purchase the holdings of any Dissenting Shareholders at the realisation value, this being an estimate of the amount a Shareholder would receive per Ordinary Share in an ordinary winding up of the Company if all of the assets of the Company had to be realised and distributed to Shareholders. The realisation value of an Ordinary Share is expected to be below the unaudited cum-income NAV per Share and the Liquidators may not purchase the interests of Dissenting Shareholders until all other liabilities of the Company have been settled and HMRC has confirmed that it has no objections to the closure of the liquidation.

Risks associated with the Combined Trust

Any investment in the New JFJ Shares issued by the Combined Trust will be governed by the JFJ Prospectus and the JFJ Articles. Shareholders should read the full text of the JFJ Prospectus, including the section containing risk factors.

An investment in the Combined Trust will involve exposure to those risks normally associated with investment in shares. Shares in the Combined Trust are designed to be held over the long-term and may not be suitable as short-term investments. The value of an investment in the Combined Trust and the income derived from it, if any, may go down as well as up. There can be no guarantee that any appreciation in the value of the Combined Trust's investments will occur and investors may not

get back the full value of their investment. There can be no guarantee that the investment objective of the Combined Trust will be achieved or provide the returns sought.

The past performance of JFJ and of JPMorgan is not a guide to future performance of the Combined Trust. An investment in the Combined Trust is suitable only for investors who are capable of evaluating the risks of such an investment and who have sufficient resources to bear any loss which might result from such an investment (which may be equal to the whole amount invested).

The performance of the Combined Trust will be substantially dependent on the performance of the securities held within its portfolio. The Combined Trust's portfolio is comprised primarily of quoted Japanese companies, the market price of which may dramatically decline. If the market price of an equity investment in the portfolio declines, this could have an adverse effect on the value of the portfolio, the Combined Trust's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to shareholders and the market value of JFJ Shares.

The Combined Trust may use gearing to seek to enhance investment returns. The use of borrowings may increase the volatility of the NAV and may reduce returns when asset values fall.

The Combined Trust will have a board of non-executive directors and no employees. The Combined Trust will therefore be dependent on the skills and experience of the Investment Manager to manage its investments. If the Investment Manager ceases to act as the Combined Trust's investment manager or if key personnel cease to remain with the Investment Manager or be involved in the management of the Combined Trust's portfolio, there is no assurance that suitable replacements will be found. If this occurs there may be an adverse effect on the performance of the Combined Trust's portfolio and the value of the JFJ Shares.

JFJ is a closed-ended vehicle. Accordingly, Shareholders will have no right to have their New JFJ Shares repurchased at any time. Shareholders wishing to realise their investment in the Combined Trust will therefore generally be required to dispose of their New JFJ Shares in the market. Although the New JFJ Shares will be listed in the closed-ended investment funds category of the Official List and admitted to trading on the Main Market, there can be no guarantee that a liquid market in the JFJ Shares will exist or be maintained. Accordingly, Shareholders may be unable to realise their New JFJ Shares at the quoted market price (or at the prevailing NAV per New JFJ Share).

The price of shares in an investment trust is determined by the interaction of supply and demand for such shares in the market as well as the NAV per share. The share price can therefore fluctuate and may represent a discount or premium to the NAV per JFJ Share. This discount or premium is itself variable as conditions for supply and demand for New JFJ Shares change. This can mean that the JFJ Share price can fall when the NAV per share rises, or vice versa.

Taxation

Comments in this document relating to the taxation of Shareholders are based on current UK taxation law and HMRC published practice, which are subject to change (possibly with retrospective effect). The information in this document relating to UK taxation law and HMRC published practice is given by way of general summary and does not constitute legal or tax advice to Shareholders. The Board has been advised that the Scheme should be treated as a scheme of reconstruction for the purposes of UK taxation of capital gains. A submission has been made by the Company to HMRC under section 138 of the TCGA to seek clearance that section 136 of the TCGA will not be prevented from applying to the Scheme by virtue of section 137(1) of the TCGA. This submission also seeks clearance that no counteraction notice under section 698 of the Income Tax Act 2007 or under section 746 of the Corporation Tax Act 2010 should be served in respect of the transaction. Clearance from HMRC is still pending as at the date of this document.

However, a subsequent sale or transfer of JFJ Shares may constitute a disposal for UK tax purposes and may, depending on a Shareholder's particular circumstances, give rise to a liability to UK taxation.

The Directors have been advised that the proposed method of winding up the Company and the scheme of reconstruction is such that the Company should remain eligible to be treated as an investment trust for the accounting period which includes the date on which its assets are sold and/or transferred by the Liquidators pursuant to the Transfer Agreement. Accordingly, the transfer of the Company's assets held within the Rollover Pool and the realisation of the Company's assets held

within the Cash Pool and the Liquidation Pool under the Scheme should not give rise to a liability to UK corporation tax for the Company. However, there can be no absolute assurance that investment trust status will be preserved and the absence of such status in any accounting period would mean the Company would be liable to pay UK corporation tax on its chargeable gains (net of allowable losses) in that period.

PART 6

ADDITIONAL INFORMATION

1 TRANSFER AGREEMENT

Provided that the Scheme is approved by Shareholders and becomes effective, the Company (acting through the Liquidators) will enter into the Transfer Agreement with the Liquidators and JFJ pursuant to the Scheme. The Transfer Agreement is, at the date of this document, in a form agreed between the Company, the Liquidators and JFJ. The Transfer Agreement provides for the transfer of the cash, undertaking and other assets of the Company comprising the Rollover Pool to JFJ (or its nominee), in consideration for the allotment of New JFJ Shares to the Liquidators (as nominees for the Shareholders entitled to them), such shares to be renounced by the Liquidators in favour of the holders of Reclassified Shares with "A" rights on the basis referred to in paragraph 8 of Part 4 of this document.

The Transfer Agreement excludes certain liability on the part of the Liquidators for entering into or carrying into effect the Transfer Agreement, save for customary carve-outs.

The Transfer Agreement will be available for inspection as stated in paragraph 4 below.

2 DISSENTING SHAREHOLDERS

The Scheme is a reconstruction to which section 111(2) of the Insolvency Act applies. Under section 111(2) any Shareholder who does not vote in favour of the Resolutions to approve the Scheme to be proposed at the First General Meeting may, within seven days of the passing of the Resolutions at the First General Meeting, express their dissent in writing to the proposed Liquidators at the registered office of the Company for the attention of the proposed Liquidators. If Dissenting Shareholders validly exercise their rights under section 111(2) of the Insolvency Act in respect of more than 5 per cent. of, in aggregate, the issued Ordinary Share capital of the Company, the Directors (or a duly authorised committee thereof) have discretion under the Scheme to decide that the Scheme should not proceed.

The Liquidators may, at their discretion, abstain from implementing the Scheme or else purchase the interest(s) of the Dissenting Shareholder(s). The purchase price for such Dissenting Shareholders' Ordinary Shares will not exceed that which the Dissenting Shareholder(s) would receive on a straightforward winding-up of the Company and may only be paid once all liabilities have been settled or provided for to the Liquidators' satisfaction.

3 MISCELLANEOUS

- 3.1 Cavendish has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear.
- 3.2 The Liquidators have given and not withdrawn their written consent to the inclusion of their names and references to them in this document in the form and context in which they appear.
- 3.3 As at the close of business on 17 October 2024, the Company held 2,037,911 Ordinary Shares in treasury (representing approximately 3.6 per cent. of the issued share capital of the Company).

4 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours on any day (Saturdays, Sundays and public holidays excepted) at the registered office of the Company until the Effective Date:

- (a) the Articles (containing the full terms of the amendments proposed to be made at the First General Meeting);
- (b) the JFJ Prospectus;
- (c) the JFJ KID;
- (d) the JFJ pre-investment disclosure document;
- (e) the JFJ Articles;

- (f) letters of undertaking from the Liquidators, JFJ and the Company to enter into the Transfer Agreement;
- (g) the Transfer Agreement, in a form agreed between the Company, the Liquidators and JFJ at the date of this document;
- (h) the letters of consent from Cavendish and the Liquidators referred to in paragraphs 3.1 and 3.2 above; and
- (i) this document.

The Articles of Association of the Company (including the articles of association of the Company containing the full terms of the amendments proposed to be made) will be available at the First General Meeting for at least 15 minutes prior to and during that meeting. The proposed amended articles of association will also be available for inspection on the Company's website from the date of this document.

19 September 2024

PART 7

DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

“A” rights	the rights attaching to Ordinary Shares in respect of which the holders have made or are deemed to have made valid Elections for the Rollover Option;
Admission	the admission of the New JFJ Shares issued pursuant to the Scheme to listing in the closed-ended investment funds category of the Official List and to trading on the Main Market becoming effective;
Articles or Articles of Association	the articles of association of the Company;
“B” rights	the rights attaching to Ordinary Shares in respect of which the holders have made valid Elections for the Cash Option;
Basic Entitlement	subject to the Scheme becoming effective in accordance with its terms, the entitlement of each Shareholder to elect for, and have accepted in full an election for, the Cash Option in respect of up to 25 per cent. by number of its holding of Ordinary Shares as at the Calculation Date, rounded down to the nearest whole share;
Board or Directors	the board of directors of the Company;
Business Day	a day on which the London Stock Exchange is open for business;
Calculation Date	the time and date to be determined by the Directors and the JFJ Directors (but expected to be close of business on 21 October 2024), at which the value of the Company’s assets and liabilities will be determined for the creation of the Liquidation Pool, the Cash Pool and the Rollover Pool, and at which the JSGL Residual FAV, the JSGL Rollover Pool FAV, the JSGL Rollover FAV per Share, the JFJ FAV per Share, the JSGL Cash Pool FAV and the JSGL Cash FAV per Share will be calculated for the purposes of the Scheme;
Cash Entitlement	in respect of any Shareholder who elects for the Cash Option and to the extent that Election is accepted, an amount equal to such Shareholder’s proportional entitlement to the Cash Pool pursuant to the Scheme;
Cash Option	the option for Shareholders to elect to receive cash under the terms of the Scheme, as described in this document;
Cash Option Discount	2 per cent.;
Cash Pool	the pool of cash attributable to the Reclassified Shares with “B” rights;
Cash Pool Realisation Costs	the costs incurred by the Company in realising portfolio assets to create the Cash Pool;
Cavendish	Cavendish Capital Markets Limited, a limited liability company incorporated in England and Wales with company number 06198898, whose registered office is at 1 Bartholomew Close, London, England, EC1A 7BL;
certificated or in certificated form	a share that is not in uncertificated form;
Combined Trust	the enlarged JFJ following completion of the Proposals;
Companies Act	the Companies Act 2006, as amended from time to time;

Company or JSGI	JPMorgan Japan Small Cap Growth & Income PLC;
Company Secretary	JPMorgan Funds Limited;
CREST	the computerised settlement system operated by Euroclear which facilitates the transfer of title to shares in uncertificated form;
CREST Manual	the compendium of documents entitled “CREST Manual” issued by Euroclear from time to time;
Dissenting Shareholder	a Shareholder who has validly dissented from the Scheme pursuant to section 111(2) of the Insolvency Act;
EEA	the European Economic Area;
Effective Date	the date on which the Scheme becomes effective, which is expected to be 24 October 2024;
Election	the choice made by a Shareholder for the Rollover Option and/or the Cash Option pursuant to the Scheme (including, where the context so permits, a deemed choice for the Rollover Option) and any reference to “elect” or “election” shall, except where the context requires otherwise, mean “elect, or deemed to elect” or “election or deemed election”, respectively;
Euroclear	Euroclear UK & International Limited in its capacity as the operator of CREST;
Excess Application	that portion of an Election by a Shareholder for the Cash Option that exceeds that Shareholder’s Basic Entitlement;
Excluded JSGI Shareholders	(i) Overseas Shareholders unless they have satisfied the Directors and the JFJ Directors that they are entitled to receive and hold New JFJ Shares without breaching any relevant securities laws and without the need for compliance on the part of the Company or JFJ with any overseas laws, regulations, filing requirements or the equivalent; (ii) Sanctions Restricted Persons; and (iii) US Shareholders that do not return the US Investor Representation Letter;
FAV	formula asset value;
Financial Conduct Authority or FCA	the United Kingdom Financial Conduct Authority or any successor entity or entities;
First General Meeting	the general meeting of the Company convened for 10.00 a.m. on 10 October 2024 (or any adjournment thereof) notice of which is set out from page 51 of this document;
Form of Election	the personalised form of election for use by Shareholders holding their Ordinary Shares in certificated form;
Form(s) of Proxy	the personalised form(s) of proxy for use by Shareholders in connection with the General Meetings;
FSMA	the Financial Services and Markets Act 2000, as amended;
General Meeting	the First General Meeting or the Second General Meeting, as the context may require and “General Meetings” means the First General Meeting and the Second General Meeting;
HMRC	HM Revenue & Customs;
Insolvency Act	the Insolvency Act 1986, as amended;
Investment Manager	JPMorgan Asset Management (UK) Limited, a private limited company incorporated in England and Wales with registered number 01161446 and having its registered office at 25 Bank Street, Canary Wharf, London E14 5JP;

ISA	an individual savings account maintained in accordance with the UK Individual Savings Account Regulations 1998, as amended from time to time;
Investec	Investec Bank PLC, a public limited company incorporated in England and Wales with registered number 00489604 and having its registered office at 30 Gresham Street, London EC2V 7QP;
JFJ	JPMorgan Japanese Investment Trust PLC;
JFJ Articles	the articles of association of JFJ;
JFJ Board or JFJ Directors	the board of directors of JFJ;
JFJ FAV	shall be equal to the net asset value of JFJ (cum-income, debt at fair value) as at the Calculation Date (i) less any direct transaction costs not already incorporated into the JFJ NAV; (ii) plus an amount reflecting the benefit of the JPMorgan Costs Contribution to JFJ (being equal to the fixed costs of the Proposals payable by JFJ); and (iii) plus an amount equal to any costs relating to the realignment of the JFJ portfolio in relation to the transaction already incurred;
JFJ FAV per Share	the JFJ FAV divided by the number of JFJ Shares in issue (excluding treasury shares) at the Calculation Date (expressed in pence) and rounded down to six decimal places;
JFJ General Meeting	the general meeting of JFJ convened for 11.00 a.m. on 10 October 2024 (or any adjournment thereof) to consider, amongst other things, the adoption of the JFJ Share Allotment Authority;
JFJ KID	the key information document prepared in relation to the JFJ Shares;
JFJ Prospectus	the prospectus dated 19 September 2024 relating to the issue and Admission of New JFJ Shares pursuant to the Scheme;
JFJ Registrar	Computershare Investor Services PLC;
JFJ Share Allotment Authority	the resolution to be proposed at the JFJ General Meeting granting the JFJ Directors the authority to allot New JFJ Shares pursuant to the Scheme;
JFJ Shareholders	holders of shares in JFJ;
JFJ Shares	the ordinary shares of 25 pence each in the capital of JFJ;
JPMorgan	the Manager and/or the Investment Manager and/or their affiliates, as the context requires;
JPMorgan Costs Contribution	the commitment by the Manager to make a contribution to the costs of the Proposals, as described and defined in Part 1 of this document;
JSGL Cash FAV per Share	the JSGL Cash Pool FAV divided by the total number of Reclassified Shares with “B” rights (expressed in pence) and rounded down to six decimal places;
JSGL Cash Pool FAV	the JSGL Residual FAV multiplied by the proportion of Reclassified Shares with “B” rights to the total number of Reclassified Shares (excluding shares held in treasury), minus (i) the Cash Option Discount and (ii) the Cash Pool Realisation Costs;
JSGL Residual FAV	shall be equal to the gross assets of JSGL as at the Calculation Date less: (i) the value of the cash and other assets appropriated to the Liquidation Pool (which includes any assets attributable to any Dissenting Shareholders); and (ii) any dividend which has been declared by the Company as at the Calculation Date but not

	paid to Shareholders, and not accounted for in the JSGL NAV, but excluding any adjustment for the JPMorgan Costs Contribution; plus (iii) an amount equal to any costs relating to the realignment of the JSGL portfolio in relation to the transaction already incurred;
JSGL Rollover Pool FAV	shall be equal to the JSGL Residual FAV multiplied by the proportion of the issued share capital of JSGL not electing for the Cash Option to JSGL's issued share capital (excluding shares held in treasury) (i) plus an amount reflecting the benefit of the JPMorgan Costs Contribution to the Company (being equal to the fixed costs of the Proposals payable by the Company); (ii) less the Realignment Costs; and (iii) plus an amount equal to the aggregate value of the Cash Option Discount, capped at the value of the Realignment Costs;
JSGL Rollover FAV per Share	the JSGL Rollover Pool FAV divided by the total number of Reclassified Shares with "A" rights (expressed in pence) and rounded down to six decimal places;
Latest Practicable Date	13 September 2024, being the latest practicable date prior to publication of this document;
Liquidation Pool	the pool of assets of the Company to be retained by the Liquidators to meet all known and unknown liabilities of the Company and other contingencies, as further provided in paragraph 3.2 of Part 4 of this document;
Liquidators	the liquidators of the Company being, initially, the persons appointed jointly and severally upon the special resolution to be proposed at the Second General Meeting becoming effective;
London Stock Exchange or LSE	London Stock Exchange plc;
Main Market	the main market for listed securities of the London Stock Exchange;
Manager	JPMorgan Funds Limited, a private limited company incorporated in Scotland with registered number SC019438 and having its registered office at 3 Lochside View, Edinburgh Park, EH12 9DH;
NAV or Net Asset Value	the net assets attributable to the Shares or the JFJ Shares in issue, calculated in accordance with the respective company's normal accounting policies;
New JFJ Shares	the ordinary shares of 25 pence each in the capital of JFJ to be issued to JSGL Shareholders who have elected, or are deemed to have elected, for the Rollover Option pursuant to the Scheme;
OCR	ongoing charges ratio;
Official List	the official list maintained by the Financial Conduct Authority;
Ordinary Shares or Shares	ordinary shares of £0.10 each in the capital of the Company;
Overseas Jurisdiction	a jurisdiction outside of the United Kingdom, the Channel Islands or the Isle of Man;
Overseas Shareholder	a Shareholder who has a registered address outside of, or who is a resident in, or citizen, resident or national of, any jurisdiction outside the United Kingdom, the Channel Islands or the Isle of Man;
Proposals	the proposals for the scheme of reconstruction and members' voluntary liquidation of the Company, as set out in this document;
QIB	a "qualified institutional buyer" within the meaning of Rule 144A of the US Securities Act;

Qualified Purchaser	a “qualified purchaser” as defined in section 2(a)(51)(A) of the US Investment Company Act;
Realignment Costs	the portfolio realignment costs, including both disposals and acquisitions, whether already incurred or estimated and still to be incurred as part of the Proposals by either JSGL or JFJ and either before or after the Effective Date but, in the case of JSGL, excluding the Cash Pool Realisation Costs;
Receiving Agent or Registrar	Computershare Investor Services PLC;
Reclassified Shareholders	holders of Reclassified Shares;
Reclassified Shares	Ordinary Shares with “A” rights or “B” rights arising as a result of the Proposals;
Record Date	6.00 p.m. on 11 October 2024 (or such other date as determined at the sole discretion of the Directors), being the record date for determining Shareholders’ entitlements under the Scheme;
Register	the register of members of the Company;
Regulation S	Regulation S under the US Securities Act;
Regulatory Information Service	the regulatory information service provided by the London Stock Exchange;
Relevant Time	has the meaning given to it in paragraph 4.1 of Part 4 of this document;
Resolutions	the special resolutions to be proposed at the General Meetings, or any of them, as the context may require;
Rollover Option	the option for Shareholders to elect to receive New JFJ Shares under the terms of the Scheme, as described in this document;
Rollover Pool	the pool of cash and other assets to be established under the Scheme to be transferred to JFJ pursuant to the Transfer Agreement;
Sanctions Authority	each of: <ul style="list-style-type: none"> (i) the United States government; (ii) the United Nations; (iii) the United Kingdom; (iv) the European Union (or any of its member states); (v) any other relevant governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; or (vi) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the US Department of the Treasury, the United States Department of State, the United States Department of Commerce and His Majesty’s Treasury;
Sanctions Restricted Person	each person or entity: <ul style="list-style-type: none"> (i) that is organised or resident in a country or territory which is the target of comprehensive country sanctions administered or enforced by any Sanctions Authority; or (ii) that is, or is directly or indirectly owned or controlled by a person that is, described, or designated in (i) the current “Specially Designated Nationals” list (which as of the date

hereof can be found at <https://sanctionslist.ofac.treas.gov/Home/SdnList>); and/or (ii) the current “Consolidated list of persons, groups and entities subject to EU financial sanctions” (which as of the date hereof can be found at: <https://data.europa.eu/data/datasets/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions?locale=en>; or (iii) the current “Consolidated list of financial sanctions targets in the UK” (which as at the date hereof can be found at <https://sanctionssearchapp.ofsi.hmtreasury.gov.uk/>; or

- (iii) that is otherwise the subject of or in violation of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of their inclusion in: (i) the current “Sectoral Sanctions Identifications” list (which as of the date hereof can be found <https://ofac.treasury.gov/sanctions-list-search-list-tool>) (the “**SSI List**”), (ii) Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014 (the “**EU Annexes**”), or (iii) any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes;

Scheme	the proposed scheme of reconstruction and voluntary winding-up of the Company under section 110 of the Insolvency Act, as set out in Part 4 of this document;
SDRT	UK stamp duty reserve tax;
SEC	the United States Securities and Exchange Commission;
Second General Meeting	the general meeting of the Company convened for 10.00 a.m. on 24 October 2024 (or any adjournment thereof), notice of which is set out from page 56 of this document;
Shareholders	holders of Ordinary Shares;
sterling or £	Pounds sterling, the lawful currency of the UK;
TCGA	the UK Taxation of Chargeable Gains Act 1992;
Transfer Agreement	the agreement for the transfer of the cash and other assets comprising the Rollover Pool from the Company to the JFJ pursuant to the Scheme to be dated on the Effective Date between the JFJ, the Company and the Liquidators, a summary of which is set out in paragraph 1 of Part 6 of this document;
TTE Instruction	transfer to escrow instruction (as described in the CREST Manual);
UK	the United Kingdom of Great Britain and Northern Ireland;
UK Listing Rules	the UK listing rules made by the Financial Conduct Authority under FSMA;
uncertificated or in uncertificated form	recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of the Regulations, may be transferred by means of CREST;
US Exchange Act	the US Securities Exchange Act of 1934, as amended;
US Investment Company Act	the US Investment Company Act of 1940, as amended;
US Investor Representation Letter	a representation letter that can be completed by US Shareholders that are both Qualified Purchasers and QIBs, the form of which is annexed to the JFJ Prospectus;
US Person	a “U.S. person” as defined in Regulation S under the US Securities Act;

US Securities Act

the United States Securities Act of 1933, as amended;

US Shareholder

a Shareholder who is located in the United States or is a US Person; and

VAT

UK value added tax.

NOTICE OF FIRST GENERAL MEETING

JPMORGAN JAPAN SMALL CAP GROWTH & INCOME PLC (the “Company”)

(Incorporated in England and Wales with registered number 03916716 and registered as an investment company under section 833 of the Companies Act 2006)

Notice is hereby given that a general meeting of the Company will be held at 60 Victoria Embankment, London, EC4Y 0JP at 10.00 a.m. on 10 October 2024 for the purpose of considering and, if thought fit, passing the following resolutions, both of which will be proposed as special resolutions:

Special Resolutions

1 THAT:

- 1.1 with effect from the date on which the amendment to the Official List of the Financial Conduct Authority to reflect the reclassification of the ordinary shares of £0.10 each in the capital of the Company (the “**Ordinary Shares**”) (the “**Amendment**”) becomes effective but subject always to paragraph 1.5 of this Resolution, each of the Ordinary Shares in issue at the date of the passing of this Resolution (other than any Ordinary Shares held by the Company in treasury) shall be reclassified as shares with “A” rights or shares with “B” rights as the case may be (the “**Reclassified Shares**”), in such respective numbers as may be required to give effect to any election validly made (or deemed to have been made) by the holders of the Ordinary Shares and otherwise in accordance with the terms of the Scheme set out in Part 4 of the circular dated 19 September 2024 to Shareholders of the Company of which this notice forms part (the “**Circular**”), a copy of which has been laid before the meeting and signed for the purpose of identification by the Chair of the meeting;
- 1.2 for the purposes of this Resolution:
 - (a) to the extent any holder of Ordinary Shares shall have validly elected (or shall be deemed to have validly elected) for, and under the terms of the Scheme will become entitled to receive, New JFJ Shares, such Ordinary Shares shall be reclassified as shares with “A” rights; and
 - (b) to the extent any holder of Ordinary Shares shall have validly elected for, and under the terms of the Scheme will become entitled to receive, cash pursuant to the Cash Option, such Ordinary Shares shall be reclassified as shares with “B” rights;
- 1.3 each of the holders of the shares with the rights set out in paragraph 1.2 above shall have the respective rights set out in the Articles of Association of the Company as amended by this Resolution;
- 1.4 with effect from the date on which the Amendment becomes effective, but subject always to paragraph 1.5 of this Resolution, the Articles of Association be and are hereby amended by:
 - (a) the insertion of the following as a new Article 4.3:

“Every reference in these Articles to shares or Ordinary Shares shall be construed as a reference to the ordinary shares of £0.10 each in the capital of the Company which are designated as shares with either “A” rights or “B” rights as set out in Article 4.4 below. Notwithstanding anything to the contrary in these Articles, each class of share will have attached to it the respective rights and privileges and be subject to the respective limitations and restrictions set out in Articles 4.4 and 166.2”;
 - (b) the insertion of the following as a new Article 4.4:

“Words and expressions defined in the circular to shareholders of the Company dated 19 September 2024 (the “Circular”) shall bear the same meanings in this Article 4.4, save where the context otherwise requires.

The rights attaching to the shares with “A” rights and the shares with “B” rights shall be identical to each other, save that in a winding up of the Company in the circumstances set out in the Circular, notwithstanding anything to the contrary in these Articles:

- (a) the rights of holders of shares with “A” rights in respect of the assets of the Company shall be satisfied by the issue to the holders thereof of the number of New JFJ Shares to which they shall respectively be entitled in accordance with the Scheme together with their entitlement to any Relevant Cash (as defined below) in accordance with the Scheme;*
- (b) the rights of holders of shares with “B” rights in respect of the assets of the Company shall be satisfied by the payment to the holders thereof of the amount of cash to which they shall respectively be entitled in accordance with the Scheme together with their entitlement to any Relevant Cash (as defined below) in accordance with the Scheme; and*
- (c) any cash arising in the Company after the transfer of the Rollover Pool and any surplus remaining in the Liquidation Pool (“**Relevant Cash**”) shall be distributed in accordance with the Scheme”; and*

- (c) the insertion of the following as a new Article 4.5:

“Subject to the special rights set out in Article 4.4 above and Article 166.2 below, for all other purposes the shares with “A” rights and shares with “B” rights shall continue to be ordinary shares with the rights attaching to ordinary shares and the Articles shall be construed accordingly.”

- (d) such further amendments to the Articles of Association of the Company as may be required to give effect to this Resolution;

1.5 if the Scheme does not become unconditional by the end of the Second General Meeting, the amendments to the Articles of Association effected by paragraph 1.4 of this Resolution shall be further amended such that the insertion of new Article 4.3, the insertion of new Article 4.4 and the insertion of new Article 4.5 shall cease to have effect as from the close of that meeting (or any adjourned meeting), the reclassification of Ordinary Shares provided for by this Resolution shall be reversed and each Reclassified Share shall revert to being an Ordinary Share ranking *pari passu* in all respects; and

1.6 the terms defined in the Circular have the same meanings in this Resolution.

2 THAT subject to: (i) the passing of Resolution 1 above at this meeting (or at any adjournment hereof) and it becoming unconditional; (ii) the Scheme becoming unconditional in accordance with its terms on or prior to 30 November 2024; and (iii) the passing at a general meeting of the Company convened for 24 October 2024 (or any adjournment thereof) of a resolution for the voluntary winding-up of the Company and the appointment of the Liquidators:

2.1 the Scheme set out in Part 4 of the circular to Shareholders of the Company dated 19 September 2024 (the “**Circular**”), a copy of which has been laid before the meeting and signed for the purpose of identification by the Chair of the meeting, be and is hereby approved and the liquidators of the Company when appointed (jointly and severally the “**Liquidators**”) be and hereby are authorised to implement the Scheme and to execute any document and do any thing for the purpose of carrying the Scheme into effect;

2.2 the Liquidators, when appointed, will be and hereby are authorised and directed:

- (a) under this special resolution and the Articles of Association, as amended as provided in Resolution 1, and pursuant to section 110 of the Insolvency Act 1986, to enter into and give effect to the Transfer Agreement (in their personal capacity and on behalf of the Company) referred to in the Circular with JFJ and in the form of the draft laid before the meeting and signed for the purpose of identification by the Chair of the meeting with such amendments as the parties thereto may from time to time agree;
- (b) to request that JFJ allot and issue New JFJ Shares, credited as fully paid, on the basis described in the Transfer Agreement for distribution to the holders of shares with “A” rights entitled thereto in accordance with the Scheme (or to the Liquidators as nominees on their behalf) by way of satisfaction and discharge of their respective interests in as

much of the property and assets of the Company as will be so transferred to JFJ in accordance with the Transfer Agreement and with the Scheme;

- (c) to procure that the Rollover Pool be vested in JFJ (or its nominees) on and subject to the terms of the Transfer Agreement;
- (d) to the extent required, to realise for cash the assets comprising the Cash Pool;
- (e) to distribute cash among the holders of shares with “B” rights by way of satisfaction and discharge of their interests in so much of the Company as shall comprise the Cash Pool in accordance with the Scheme;
- (f) to convert into cash any assets in the Liquidation Pool and to raise the money to purchase the interest of any member who validly dissents from this Resolution under section 111(2) of the Insolvency Act 1986 from the Liquidation Pool;
- (g) to transfer any surplus in the Liquidation Pool in accordance with the Scheme; and
- (h) to apply for the admission of the Ordinary Shares to listing in the closed-ended investment funds category of the Official List and to trading on the Main Market to be cancelled with effect from such date as the Liquidators may determine.

2.3 the Articles of Association be and are hereby amended by the insertion of the following as a new Article 166.2:

*“Notwithstanding the provisions of these Articles, upon the winding-up of the Company in connection with the scheme (the “**Scheme**”) set out in Part 4 of the circular to shareholders of the Company dated 19 September 2024 (the “**Circular**”), the Liquidators of the Company will give effect to the Scheme and will enter into and give effect to the transfer agreement with JFJ (as duly amended where relevant), a draft of which was tabled at the general meeting of the Company convened for 10 October 2024 by a notice attached to the Circular, in accordance with the provisions of this Article and Article 4.4 and the holders of Ordinary Shares will be entitled to receive New JFJ Shares and/or cash, in each case in accordance with the terms of the Scheme. The definitions in the Circular have the same meanings in this Article 166.2, save where the context otherwise requires.”; and*

2.4 the definitions contained in the Circular have the same meanings in this Resolution.

Registered office:
60 Victoria Embankment
London EC4Y 0JP

By Order of the Board
JPMorgan Funds Limited
Company Secretary

Dated: 19 September 2024

Notes:

These notes should be read in conjunction with the notes on the Form of Proxy.

- 1 As a member you are entitled to appoint a proxy or proxies to exercise all or any of your rights to attend, speak and vote at the General Meeting. A proxy need not be a member of the Company but must attend the General Meeting to represent you. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different Ordinary Shares. You can only appoint a proxy using the procedure set out in these notes and the notes to the Form of Proxy. You may not use any electronic address provided either in this notice or any related documents to communicate with the Company for any purpose other than those expressly stated.
- 2 To be valid any Form of Proxy or other instrument appointing a proxy, together with any Power of Attorney or other authority under which it is signed or a certified copy thereof, must be delivered by post or (during normal business hours only) by hand to the Registrars at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH or electronically by visiting www.investorcentre.co.uk/eproxy no later than two days (excluding non-working days) before the time of the General Meeting or any adjourned General Meeting. You will need the Control Number, Shareholder Reference Number and PIN which are set out on your proxy form.
- 3 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and/or by logging on to the website: euroclear.com/CREST. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- 4 In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & International Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Registrar (ID 3RA50) no later than two days (excluding non-working days) before the time of the General Meeting or any adjournment of the General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST application host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- 5 CREST members and, where applicable, their CREST sponsors, or voting service provider(s) should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- 6 The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- 7 If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform. For further information regarding Proxymity, please go to www.proxymity.io. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

- 8 The return of a completed Form of Proxy or other instrument of proxy will not prevent you attending the General Meeting and voting in person if you wish.
- 9 Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and section 311 of the Companies Act the Company specifies that to be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the votes they may cast), Shareholders must be registered in the Register of Members of the Company no later than two days (excluding non-working days) prior to the commencement of the General Meeting or any adjourned General Meeting. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.
- 10 Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a “**Nominated Person**”) may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.
- 11 The statement of the rights of Shareholders in relation to the appointment of proxies in Notes 1 and 2 above does not apply to Nominated Persons. The rights described in those Notes can only be exercised by Shareholders of the Company.
- 12 Information regarding the General Meeting, including information required by section 311A of the Companies Act, is available from the Company’s website at www.jpnmjapansmallcapgrowthandincome.co.uk.
- 13 Members have the right to ask questions at the meeting in accordance with section 319A of the Companies Act.
- 14 As at 18 September 2024 (being the last practicable day prior to the publication of this notice) the Company’s issued share capital consisted of 55,944,560 Ordinary Shares, carrying one vote each, of which 2,037,911 Ordinary Shares were held in treasury. Therefore, the total voting rights in the Company as at 18 September 2024 were 53,906,649 votes.
- 15 Any person holding 3 per cent. or more of the total voting rights of the Company who appoints a person other than the chair of the General Meeting as his/her proxy will need to ensure that both he/she and his/her proxy complies with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.
- 16 A copy of the current articles of association of the Company and the proposed new articles of association of the Company will be available for inspection during normal business hours (Saturdays, Sundays and public holidays excepted) and for at least 15 minutes before and during the General Meeting at the registered office of the Company at 60 Victoria Embankment, London EC4Y 0JP, being the place of the General Meeting. The proposed new articles of association will also be available for inspection on the Company’s website from the date of this Notice of General Meeting.

NOTICE OF SECOND GENERAL MEETING

JPMORGAN JAPAN SMALL CAP GROWTH & INCOME PLC (the “Company”)

(Incorporated in England and Wales with registered number 03916716 and registered as an investment company under section 833 of the Companies Act 2006)

Notice is hereby given that a general meeting of the Company will be held at 60 Victoria Embankment, London, EC4Y 0JP, at 10.00 a.m. on 24 October 2024 for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as a special resolution:

Special Resolution

That (provided that the Directors shall not have resolved, prior to the date of this meeting (or any adjournment thereof) to abandon the Scheme):

- (a) the Company be and is hereby wound up voluntarily under the provisions of the Insolvency Act 1986 and that Gareth Rutt Morris and Jonathan Dunn, both licensed insolvency practitioners of FRP Advisory Trading Limited, be and they are hereby appointed joint liquidators of the Company (the “**Liquidators**”) for the purposes of such winding-up and distributing the assets of the Company in accordance with the Scheme and any power conferred on them by law, the Articles of Association or by this Resolution may be exercised by them jointly or by each of them alone;
- (b) the remuneration (plus VAT) of the Liquidators be determined by reference to the time properly given by them and their staff in attending to matters prior to and during the winding-up of the Company (including, without limitation, the implementation of the Scheme and any matters outside the statutory duties of the Liquidators and undertaken at the request of the members or a majority of them) and the Liquidators be and are hereby authorised to draw such remuneration monthly or at such longer intervals as they may determine and to pay any expenses properly incurred by them to give effect to the Scheme;
- (c) the Company’s books and records be held by the Company Secretary to the order of the Liquidators until the expiry of 12 months after the date of dissolution of the Company, when they may be disposed of, save for financial and trading records which will be kept for a minimum of six years following the vacation of the Liquidators from office;
- (d) the Liquidators be empowered and directed to carry into effect the provisions of the Articles of Association as amended by the Resolutions set out in the notice of the First General Meeting of the Company contained in the circular to Shareholders of the Company, dated 19 September 2024 (the “**Circular**”); and
- (e) the definitions contained in the Circular have the same meanings in this Resolution.

Registered office:
60 Victoria Embankment
London EC4Y 0JP

By Order of the Board
JPMorgan Funds Limited
Company Secretary

Dated: 19 September 2024

Notes:

These notes should be read in conjunction with the notes on the Form of Proxy.

1. As a member you are entitled to appoint a proxy or proxies to exercise all or any of your rights to attend, speak and vote at the General Meeting. A proxy need not be a member of the Company but must attend the General Meeting to represent you. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different Ordinary Shares. You can only appoint a proxy using the procedure set out in these notes and the notes to the Form of Proxy. You may not use any electronic address provided either in this notice or any related documents to communicate with the Company for any purpose other than those expressly stated.
2. To be valid any Form of Proxy or other instrument appointing a proxy, together with any Power of Attorney or other authority under which it is signed or a certified copy thereof, must be delivered by post or (during normal business hours only) by hand to the Registrars at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH or electronically by visiting www.investorcentre.co.uk/eproxy no later than two days (excluding non-working days) before the time of the General Meeting or any adjourned General Meeting. You will need the Control Number, Shareholder Reference Number and PIN which are set out on your proxy form.
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4. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & International Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Registrar (ID 3RA50) no later than two days (excluding non-working days) before the time of the General Meeting or any adjournment of the General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST application host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
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9. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and section 311 of the Companies Act the Company specifies that to be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the votes they may cast), Shareholders must be registered in the Register of Members of the Company no later than two days (excluding non-working days) prior to the commencement of the General Meeting or any adjourned General Meeting. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.
10. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a “**Nominated Person**”) may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.
11. The statement of the rights of Shareholders in relation to the appointment of proxies in Notes 1 and 2 above does not apply to Nominated Persons. The rights described in those Notes can only be exercised by Shareholders of the Company.
12. Information regarding the General Meeting, including information required by section 311A of the Companies Act, is available from the Company’s website at www.jpmmjapan-smallcap-growth-and-income.co.uk.
13. Members have the right to ask questions at the meeting in accordance with section 319A of the Companies Act.
14. As at 18 September 2024 (being the last practicable day prior to the publication of this notice) the Company’s issued share capital consisted of 55,944,560 Ordinary Shares, carrying one vote each, of which 2,037,911 Ordinary Shares were held in treasury. Therefore, the total voting rights in the Company as at 18 September 2024 were 53,906,649 votes.
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