

# FIRST STATE GLOBAL UMBRELLA FUND PLC

an umbrella fund with segregated liability between sub-funds  
70 Sir John Rogerson's Quay, Dublin 2, Ireland

11 April 2019

**This document is important and requires your immediate attention. If you are in any doubt as to the action you should take, you should seek advice from your investment consultant, tax adviser and/or legal adviser as appropriate.**

**Unless otherwise defined, capitalised terms used herein shall bear the same meaning as capitalised terms used in the prospectus for the Company dated 15 January 2019 (the "Prospectus") and any supplements and the applicable local covering documents. A copy of the Prospectus is available upon request during normal business hours from the registered office of the Company.**

**The Directors accept responsibility for the accuracy of the information contained in this document. To the best of the Directors' knowledge and belief the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.**

To: Shareholders in the First State Asian Bond Fund ("Shareholders"), a sub-fund of First State Global Umbrella Fund plc (the "Company").

**Re: - Result of the Extraordinary General Meeting of the First State Asian Bond Fund (the "Fund")**  
**- Changes to the investment objective and policy of the Fund**

## **A. OUTCOME OF EXTRAORDINARY GENERAL MEETING**

- The purpose of this letter is to notify you of the outcome of the Extraordinary General Meeting (the "EGM") of the Fund held on 4 April 2019, as convened by the EGM notice dated 18 February 2019.
- The purpose of the EGM was to consider the proposed changes to the investment objective and policy of the Fund.
- The ordinary resolution relating to the proposed changes to the investment objective and policy of the Fund was approved by the Shareholders.

## **B. CHANGES TO INVESTMENT OBJECTIVE AND POLICY OF THE FUND**

**As a result of the resolution outlined above, we are writing to you as a Shareholder of the Fund to notify you that the investment objective and policy of the Fund will be changed with effect from the date of issuance of an updated Prospectus. This is expected to occur on 30 May 2019 (the "Effective Date"). Further to the proposed changes to the investment objective and policy of the Fund as considered and passed at the EGM, minor additional changes (as marked-up in the extract below) will be made to the investment policy of the Fund for clarification and enhancement of disclosures.**

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Registered Office:

70 Sir John Rogerson's Quay, Dublin 2, Ireland

Registered Number: 288284

Directors: Peter Blessing, Bronwyn Wright, Kevin Molony,

Kate Dowling (Australian), Adrian Hilderly (British), Christian Turpin (British)

First State Global Umbrella Fund PLC is regulated by the Central Bank of Ireland

As from the Effective Date, the Fund will be managed in accordance with the revised investment objective and policy as follows under its new name “First State Asia Strategic Bond Fund”:-

*“Investment Objective:*

*Aims to achieve total return, consisting of both income and capital gains, through investment in a diversified portfolio of fixed income and similar transferable instruments issued primarily by government and corporate entities in Asia.*

*Investment Policy:*

*The Fund invests primarily (at least 70% of its Net Asset Value) in debt securities of governments or quasi-government organization issuers in Asia and/or issuers organised, headquartered or having their primary business operations in Asia. The Fund may also invest less than 30% of its Net Asset Value in treasury bonds of the United States Government. The Fund is not managed to a benchmark.*

*The Investment Manager will strategically allocate debt securities based on a combination of top-down and bottom-up analysis. The top-down analysis focuses on optimising the Fund’s exposure to a range of risk factors such as credit spread, duration, country and currency. In order to make decisions on the appropriate exposure to these factors, the Investment Manager undertakes an ongoing assessment of the drivers of returns, such as interest rates, the macro-economic outlook, inflation expectations, fiscal and external account balances, market sentiment and geo-political issues. The bottom-up analysis focuses on assessing an individual debt security’s default risk and value relative to similar debt securities in the market with information such as country/sector and company-specific analysis. Each investment is subject to analysis from the Investment Manager’s credit specialists who assess the creditworthiness of the issuer at the time of investment and monitor it continually for changes.*

*The Fund is not subject to any limitation on the portion of its Net Asset Value that may be invested in investment grade debt securities (rated as Baa3 or above by Moody’s Investor Services, Inc. or BBB- or above by Standard & Poor’s Corporation or other recognised rating agencies), below investment grade debt and convertible securities, or if unrated, of comparable quality as determined by the Investment Manager. The Fund’s investment in debt securities may include securities with loss-absorption features (e.g. including contingent convertible debt securities, senior non-preferred debt, instruments issued under the resolution regime for financial institutions and other capital instruments issued by banks or other financial institutions) which will be less than 30% of the Fund’s Net Asset Value.*

*In addition, the Fund will not invest more than 10% of its Net Asset Value in debt securities issued by and/or guaranteed by a single sovereign issuer which is below investment grade.*

*The Fund is not subject to any limitation on the portion of its Net Asset Value that may be invested in debt securities in any one or more emerging markets in Asia, or any sector. In respect of the Fund’s exposure to PRC, investment in onshore PRC debt securities and offshore debt securities denominated in RMB (including Dim Sum bonds) will be less than 30% of the Fund’s Net Asset Value.*

*The debt securities in which the Fund invests are mainly denominated in US dollars or Asian currencies.*

*Although the Fund has a regional investment universe, the securities selected for investment based on the Investment Manager's approach may at times result in a portfolio that is concentrated in certain countries.*

*The Fund may only use FDIs for purposes of hedging and efficient portfolio management. The Fund will not invest extensively or primarily in FDIs to achieve its investment objective. It is not intended that the Fund will avail of the opportunity to invest in FDIs for investment purposes.*

*For defensive purposes during periods of perceived uncertainty and volatility (e.g. market or major crisis), the Fund may also hold all or part of its assets in cash and/or US Treasuries."*

## **C. COSTS**

The costs and expenses that will be incurred in connection with the changes to the investment objective and policy of the Fund will be borne by the Investment Manager.

## **D. CONSEQUENCES OF THIS DECISION FOR SHAREHOLDERS IN THE FUND**

If you wish to voluntarily redeem your Shares, you may do so on any Dealing Day until 10 a.m. Irish time / 5 p.m. Hong Kong time (being the dealing cut-off time) or such other dealing cut-off time as the intermediaries may impose ("**Cut-Off Time**") on the last Dealing Date prior to the Effective Date, which is expected to be 29 May 2019 ("**Last Dealing Day**"), in accordance with the terms of the Prospectus (please refer to the section of the Prospectus entitled "*Buying, Selling and Switching Shares - Redeeming Shares*"). **There are currently no redemption fees levied on the redemption of Shares in the Fund.**

You can also choose to switch your Shares, free of any switching fee, on any Dealing Day until the Cut-Off Time on the Last Dealing Day for Shares of another available sub-fund of the Company under the procedures set out in the Prospectus. For Hong Kong investors, such sub-fund must be authorised by the Hong Kong Securities and Futures Commission ("SFC") for offering to the public in Hong Kong<sup>1</sup> (please refer to the section of the Prospectus entitled "*Buying, Selling and Switching Shares - Exchanges/Switching*" for further details).

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

If you take no action, you will continue to be a Shareholder in the Fund which will be managed in accordance with the revised investment objective and policy under its new name.

If you are unsure about what action to take, you should contact a professional adviser.

## **E. TAX IMPLICATIONS**

Shareholders should be aware that the redemption of Shares in the Fund or the switching of Shares in the Fund for Shares in another sub-fund of the Company may be a taxable event.

The tax implications of your shareholding vary depending on the law and regulations of your country of residence, citizenship or domicile. Please consult your tax advisor if you require further advice.

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<sup>1</sup> SFC authorisation is not a recommendation or endorsement of the Company's funds, nor does it guarantee the commercial merits of the funds or their performance. It does not mean the funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.

## F. CONTACT DETAILS

Should you have any questions relating to these matters, you should either contact us at the above address or alternatively you should contact your investment consultant, tax adviser and/or legal adviser as appropriate.

Additionally, if Shareholders have any questions relating to the above matters then:

Hong Kong Shareholders may also contact:

- by telephone: the Investment Manager's Investor Services Hotline on +852 2846 7566 or fax +852 2868 4742 (telephone calls may be recorded for your security);
- by email: [info@firststate.com.hk](mailto:info@firststate.com.hk); or
- in writing: Hong Kong Representative, First State Investments (Hong Kong) Limited, 25th Floor, One Exchange Square, 8 Connaught Place, Central, Hong Kong.

European Shareholders may also contact their usual First State representative or the Client Services Team via the following means:

- by telephone: from the UK on 0800 917 1717 and from abroad on +44 131 525 8872 (telephone calls may be recorded for your security);
- by email: [info@firststate.co.uk](mailto:info@firststate.co.uk); or
- in writing: Client Services, First State Investments (UK) Ltd, 23 St Andrew Square, Edinburgh EH2 1BB, United Kingdom.

### Documents available

Copies of the Prospectus (and, for Hong Kong investors, the Supplement for Hong Kong Investors to the Prospectus and the Product Key Facts Statement relating to the Fund) are available upon request during normal business hours by contacting us at the contact details set out above, or from our website [www.firststateinvestments.com](http://www.firststateinvestments.com)<sup>2</sup>.

Yours sincerely,



Director  
For and on behalf of  
First State Global Umbrella Fund plc

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<sup>2</sup> This website has not been reviewed by the SFC and may contain non-SFC authorised funds and/or classes of Shares that are not available to Hong Kong investors.