



## Fund Prospectus (Q&A)

### **SKFM Mekong Fund Not for Retail Investors: SMF**



## Summary of Fund Details

<b>Type and Investment Policy of Mutual Fund</b>	
<b>Fund Name</b>	SKFM Mekong Fund Not for Retail Investors
<b>Fund Type</b>	<p>Equity General Fund.</p> <p>The fund is separated into 2 unit classes:</p> <p style="padding-left: 40px;">(1) Class A: General (Non-Retail) Investors (SMF-A).</p> <p style="padding-left: 40px;">(2) Class I: Institutional Investors (SMF-I).</p> <p>The General Investor and Institutional Investor can invest in each class of unit according to the conditions specified in the Prospectus. The Management Company reserves its right to add to and amend the conditions of investment in order to provide more convenience for Unitholders and increase the benefits of Unitholders. The Management Company will post any announcement of such additions/amendments at their office or on their website and at the selling agent's office at least seven (7) days in advance of any such addition/amendment.</p>
<b>Fund Maturity</b>	Indefinite.
<b>Investment Policy and Exchange Heading</b>	<p>The policy is to invest in equity securities which are registered on the Stock Exchange of Thailand as well as on international stock exchanges. The Fund emphasizes value investing in the shares of Thai and foreign companies with strong links to the Greater Mekong Sub-Region (GMS) (including Thailand, Vietnam, Laos, Cambodia, Yunnan province of China, and Myanmar) with a development theme and poised to benefit from ASEAN (AEC) integration. The Fund will invest on average at least 80% of the Fund's net asset value in such securities in each financial year. The remaining net asset value will be invested in deposits or other assets or profit acquisition by other means as prescribed by SEC or the Office of the SEC.</p>



	<p>The Management Company may invest in or hold derivatives for efficient portfolio management according to the Office of the SEC's regulations concerning the Fund.</p> <p>The Management Company might invest in other mutual funds, which invest in the GMS Sub-region.</p> <p>The Management Company might invest in unlisted securities.</p> <p>The Fund shall not invest in structured notes, non-investment grade debt securities, or unrated debt securities.</p> <p>The investment limits (which define the Fund and make it fall into a particular specific category of fund) as mentioned in the Scheme shall not be applicable during the pre-investment period which covers approximately a thirty (30) day period following the Fund's registration date.</p>
<b>Return on investment</b>	<p>For both Class A: General (Non-Retail) Investors (SMF-A) and Class I: Institutional Investors (SMF-I), Investors will receive any capital gains when the NAV of the Fund is more than the NAV when the investor subscribed and such investor would receive such gains after they redeem their units. In case of an individual investor, no tax will be incurred on such capital gain.</p>
<b>Fund Approval Date</b>	27 June 2017
<b>IPO period</b>	21 to 29 August 2017
<b>Minimum amount of initial subscription order</b>	<p>Determined by the class of units as follows:</p> <p>Class A: General (Non-Retail) Investors: 500,000.00 Baht.</p> <p>Class I: Institutional Investors: 10,000,000.00 Baht</p> <p>(approximately 290,000.00 USD).</p>



<b>Minimum amount of subsequent subscription order</b>	Determined by the class of units as follows:  Class A: General (Non-Retail) Investors: 50,000.00 Baht.  Class I: Institutional Investors: 1,000,000.00 Baht  (approximately 29,000.00 USD).
<b>Minimum redemption unit</b>	Not specified.
<b>Minimum amount of redemption order</b>	Determined by the class of units as follows:  Class A: General (Non-Retail) Investors: 50,000.00 Baht.  Class I: Institutional Investors: 1,000,000.00 Baht  (approximately 29,000.00 USD).
<b>Minimum value of outstanding unit balance</b>	Based on the cost method and determined by the class of units as follows:  Class A: General (Non-Retail) Investors: 500,000.00 Baht.  Class I: Institutional Investors: 10,000,000.00 Baht  (approximately 290,000.00 USD).
<b>Minimum outstanding unit balance</b>	Not specified.



## Q&A about the features of the Fund

### **1. Does SKFM Mekong Fund not for Retail Investors separate investor type and/or class of units?**

SKFM Mekong Fund not for Retail Investors is a mutual fund for non-retail and accredited investors and separates its investment units into two (2) classes – that is, Class A: for General (Non-Retail) Investors and Class I: for Institutional Investors.

### **2. What is the capital of the SKFM Mekong Fund not for Retail Investors?**

The capital of the SKFM Mekong Fund not for Retail Investors is 10,000,000,000.0000 Baht. During the period of the initial public offering of the Mutual Fund, the Management Company may offer investment units for sale in an amount exceeding the Fund capital by up to 15% of the Fund capital. After the Fund's registration, the Fund may increase the Fund's capital, and such increase shall be carried out in accordance with the rules and procedures prescribed by the Office of the SEC.

### **3. What are the characteristics of an investor who is considered suitable for investing in the SKFM Mekong Fund not for Retail Investors, and how long should such an investor invest in this Fund?**

SKFM Mekong Fund not for Retail Investors is suitable for non-retail and accredited investors who wish to invest for capital gains and other gains. The investor should invest long term and accept volatility.

The investment period should be in mid to long term with an approximate investment period of not less than one (1) year.

### **4. Which factors significantly affect the investor's investment?**

As this Fund will invest in securities which are listed on domestic and foreign stock exchanges, the investor's investment may be significantly affected by the following factors:



- (1) The volatility of the price of securities that the Fund invests in;
- (2) The volatility of the Thai economy and Thai politics;
- (3) The volatility of foreign economies and politics;
- (4) The volatility of the economics and politics of GMS countries (Vietnam, Lao, Cambodia, Myanmar).

#### **5. Does the Fund have a guarantor or does the Fund emphasize capital protection?**

There is no guarantor and the Fund is not covered under the Capital Protection Fund.

#### **6. When is the accounting period of the Fund?**

Financial Year End: Approximately one (1) year from the day following the Fund's registration date.

First Financial Year End: Not more than one (1) year from the day following the Fund's registration date.

### **Q&A about the subscription, redemption and transfer of units**

#### **1. Details of subscription and redemption of investment units of this Fund**

##### **Subscription**

- **Initial Public Offering Period (IPO)**

During 21 to 29 August 2017 from the opening time of the Management Company or Selling Agents (if any) to 3.30 p.m. on every Trading Day.

As regards the last day of the IPO period, the Management Company reserves the right to accept payments from subscribers made by cheque or draft only until 12.00 p.m. on that day.

As regards any payments that for whatever reason cannot be cleared on the last day of the IPO period, or where for whatever reason there is no evidence of receipt of a payment from the payee bank on the last day of the IPO period, the Management Company reserves the right to refuse to accept the subscription order of investment units relating to that payment.



The unit allotment will be calculated by dividing the subscription amount by the offer price.

Example: If the Subscription Amount is 10,000.00 Baht and the offer price is 10.15 Baht/unit, there will be 985.2216 units allocated.

- Offers after the Initial Public Offering

The Management Company will re-open for the taking of subscriptions from 4 September 2017 onwards. In the event that such a date is a holiday, the re-opening for the taking of subscriptions will be postponed to the first Trading Day. The investor can place a subscription order with the Management Company or the Selling Agents (if any) on any Trading Day from the start of business to 3.30 p.m.

**Minimum amount of initial subscription order:** according to the class of units:

- (1) Class A: General (Non-Retail) Investors            500,000.00 Baht
  - (2) Class I: Institutional Investors                    10,000,000.00 Baht
- (approximately 290,000.00 USD)

**Minimum amount of subsequent subscription order:** according to the class of units:

- (1) Class A: General (Non-Retail) Investors            50,000.00 Baht
  - (2) Class I: Institutional Investors                    1,000,000.00 Baht
- (approximately 29,000.00 USD)

The investor can place a subscription order with the Management Company or Selling Agents (if any) on any Trading Day from the start of business to 3.30 p.m.

**Redemption**

- The Management Company will accept redemption orders from 4 September 2017 onwards. In the event that such date is a holiday, the acceptance of redemption orders will be postponed to the following Trading Day. The investor can place the redemption order with the Management Company or Selling Agents (if any) on any Trading Day from the start of business to 12.00 p.m.



- The Management Company shall make payment of the redemption proceeds to Unitholders within five (5) Business Days from the day following the trading day that net asset value is calculated.

**Minimum amount of redemption order:** according to the class of units:

(1) Class A: General (Non-Retail) Investors	50,000.00 Baht
(2) Class I: Institutional Investors	1,000,000.00 Baht

(approximately 29,000.00 USD)

## 2. Rejection of Subscription Orders

- The Management Company reserves the right to refuse the subscription application of any investor who is not a General (Non-Retail) Investor or Institutional Investor (as defined).
- The Management Company reserves the right to refuse the subscription application order of any person or persons of the same group where that subscription would result in such person or persons of the same group holding more than one third of the total outstanding investment units, unless such holding falls within an exemption in accordance with the regulations of the Office of the SEC.

## 3. Postponement of Due Date of Payment of Redemption Proceeds, and Rejection of Subscription, Redemption or Switching Orders

1. The Management Company may postpone the due date for payment of redemption proceeds to Unitholders who have placed a redemption order in the following circumstances:
  - (1) The Management Company considers in good faith and reasonably believes that the following circumstances exist (as confirmed by the Trustee):
    - (a) The Management Company is unable to offer, dispose of, or transfer securities or assets of the Fund.
    - (b) The Fund does not receive payment for securities or assets in which the Fund has invested on the normal due date, and such event is beyond the control of the Management Company.





- (2) The redemption order was placed during a period in which the Management Company was not making payment of redemption proceeds to Unitholders because the Management Company found that the Bid Price of investment units was incorrect and the Trustee had not verified the information contained in the report on Recalculation of Retrospective Value and the report on Price Compensation. Such incorrect Bid Price must be different from the correct bid price by one (1) Satang or more and the difference must account for 0.5% or more of the correct Bid Price.
  
2. The Management Company may refuse to accept a subscription, redemption or switching order of investment units, or may suspend the acceptance of subscription, redemption or switching orders, although only in the following cases:
  - (1) The stock exchanges are unable to open for normal trading.
  
  - (2) The Management Company honestly and reasonably believes, upon the consent of the Trustees, that the following circumstances exist:
    - (a) The Management Company is unable to offer, dispose of, or transfer securities or assets of the Fund reasonably;
  
    - (b) The Management Company is unable to calculate the net asset value of the Fund fairly and reasonably;
  
    - (c) That there are other necessary reasons for refusal or suspension relating to the safeguarding of Unitholders' best interests.
  
  - (3) The Fund has invested in foreign securities or assets and the following events occur which significantly adversely affect the Fund (as verified by the Trustee):
    - (a) The stock exchanges that the Fund has invested in are unable to open for business;
  
    - (b) The Fund is unable to exchange foreign currency freely (i.e., inward or outward remittance of currency);



- (c) The Fund does not receive payment in respect of securities or assets that the Fund has invested in on the normal due date and such event is beyond the control of the Management Company.
  - (4) Rejection of subscription orders or the suspension of acceptance of subscription orders in respect of specific investors as a result of the following circumstances:
    - (a) The Management Company reasonably suspects that such investors are involved in the commission of a predicate offence or the offence of money laundering according to the law on Anti-Money Laundering, regardless of Thai laws or any potentially relevant foreign laws; or that such investors are providing financial support for terrorism; or on the issuing of an order for the seizure or restraining of property of the investor by a person in legal authority or where such a seizing or restraining order is pending.
    - (b) The Management Company is unable to carry out “Know Your Customer” processes and due diligence.
  - (5) The Offer Price is incorrect and differs from the correct price by one (1) Satang or more and the difference accounts for more than 0.5% of the correct value, and the Trustee has not verified the information contained in the report on the Recalculation of Retrospective Value and the report on Price Compensation.
- 3. To protect the benefits of the Unitholders or where it is necessary for the stability of the national economy and its financial status or to maintain the stability of the financial market system, the Office of the SEC may announce and instruct the Management Company to temporarily suspend the acceptance of subscription, redemption or switching orders of investment units of the Fund for any period that the Office of the SEC deems appropriate, but such period shall not exceed twenty (20) consecutive Trading Days, unless otherwise approved by the SEC.

When any of the above events occur, the Fund shall follow the regulations specified by the Office of the SEC.



#### **4. Procedures for Switching of Investment Units**

The Management Company may allow Unitholders to place switching orders. In such a case, the Management Company shall provide notice to the Unitholders by posting an announcement at its office or on its website or at the offices of the Selling Agents.

#### **5. Conditions and Limitations on the Issuance and Transfer of Investment Units**

- The Management Company shall reject the issuance of investment units to investors who do not fall within the definition or satisfy the conditions of a “General (Non-Retail) Investor” or an “Institutional Investor”, except where a person has inherited investment units and in accordance with the notifications of the SEC.
  
- The Management Company is authorized to reject the issuance or transfer of investment units in case that the transfer would result in any person or persons of the same group holding more than one third of the total outstanding investment units in accordance with the notifications of the SEC.

#### **6. Sources for the Disclosure of Net Asset Value, Investment Unit Value, and the Offer and Bid Price**

It shall be made through:

- The website of the Management Company ([www.skfm.com](http://www.skfm.com))
- The Management Company Tel. 02-639-2964-6
- [www.thaimutualfund.com](http://www.thaimutualfund.com)

**Q&A about the investor's rights**

#### **1. Issuance and Delivery of Confirmation Note**

The Registrar shall submit a confirmation note to Unitholders by mail. In case of subscription during the IPO period, the Registrar will deliver by post a confirmation note confirming the issuance of investment units to the Unitholders within fifteen (15) business days from the day following the closing date of the IPO. In case of subscription after the IPO period, the Registrar shall deliver a



confirmation note to the Unitholders by any means as evidence for such subscription of investment units within five (5) Trading Days from the day following the Trading Day on which the valuation on the investment units is calculated.

## **2. Conditions and Limitations on the Unitholder's under this Fund**

Any person or persons of the same group shall not hold more than one third of the total outstanding investment units of the Fund unless such holding falls under any exclusion prescribed in the Notification of the Capital Market Supervisory Board on the Rules of Limitation of the Holding of Investment Units in Mutual Funds and the Duties of the Management Company. In any case, the Management Company shall not include the portion of votes exceeding one third of the total outstanding investment units of that person or group of persons when holding a vote on a resolution.

## **3. In case the Fund has invested in or acquired any shares, the channel and procedure for checking proxy voting of the Unitholders**

The Unitholders can check all details regarding proxy voting via the office or the website ([www.skfm.com](http://www.skfm.com)) of the Management Company.

## **4. Channel and procedures for complaint handling and settlement of disputes through arbitration**

The Unitholders can submit complaints via:

- Siam Knight Fund Management Securities Co., Ltd. Tel. 02-639-2964-6.
- SEC Help Centre Tel. 02-263-6000.

This Fund settles disputes through arbitration in case the Management Company does not follow the Fund's Prospectus and/or the regulations and notifications of the Office of the SEC and this causes losses to the Unitholders.



## Q & A about the related persons of the Fund

### 1. Profile of Siam Knight Fund Management Securities Co., Ltd.

Director		
No.	Name	Title
1	Mr. Patrick Michael Davenport	Chaiman of BOD and RMC
2	Mr. Jeremy Lechmere King	Director and CEO
3	Mr. Richard Peter Neville	Director and Invesment Committee Member
4	Mr. Nicholas James Anthony	Independent Director
5	Mr. John Timothy Rucquoi Berger	Independent Director

The Management Company has the license to manage the Mutual Fund and this was issued on 5 February 2016 and it was issued with a license to carry on private fund management on 26 July 2002. There are 20 private Funds under the management of the Management Company and the total assets under Management is approximately 908.93 million Baht (as at end of December 2016).



## 2. Investment Committee

Investment Committee		
No.	Name	Title
1	Mr. Patarapong Attawetin	Head of Investment Chaiman of Investment Committee
2	Mr. Richard Peter Neville	Director and Head of Research Member of Investment Committee
3	Mr. Chalermdet Techato	Fund Manager Member of Investment Committee
4	Ms. Koonrat Leelaniramol	Assistant Fund Manager Member of Investment Committee

## 3. Fund Manager: Education, working experience and responsibilities

Fund Manager				
No.	Name	Education	Working Experience	Responsibilities
1	Mr. Patarapong Attawetin	Mechanical Engineering. MBA degree.	Former banker at UOB, and Senior Engineer at KAO Industrial.	Fund Manager
2	Mr. Chalermdet Techato	Masters degree in Managerial & Business Economics.	Former broker at Capital Nomura Securities Pcl.	Fund Manager



#### 4. Name List of Selling Agents, Registrar, Trustee and Auditor

- **Selling Agents:**

- (1) Phillip Securities (Thailand) Public Company Limited
- (2) Wealth Magik Mutual Fund Brokerage Company Limited
- (3) KTB Securities (Thailand) Company Limited
- (4) Finansia Syrus Securities Public Company Limited
- (5) Globlex Securities Company Limited

- **Registrar:**

Bank of Ayudhya Pcl.

Tel. 02-296-3582, Fax. 02-683-1302

- **Trustee:**

Bank of Ayudhya Pcl.

Tel. 02-296-5809

- **Auditor:**

Mr. Prawit Wiwanthananutr or Mr. Therdthong Thepmungkorn or Mr. Udom Thanuratpong or  
Ms. Chutima Wongsesarapantchai of PV Audit Co., Ltd.

100/19, 14<sup>th</sup> Fl., Vongvanich Building, Rama IV Road, Huaykwang, Bangkok 10310

Tel. 02-645-0080



## Q & A about the channel through which investors can ask for more information about the Fund

Investors can ask for more information at:

Siam Knight Fund Management Securities Co., Ltd.

Address: 82, Seng Thong Thani Tower, 32/F, North Sathorn Road, Silom, Bangrak, Bangkok, 10500

Tel: 02-639-2964-6, Fax: 02-639-2980.

Website: [www.skfm.com](http://www.skfm.com)

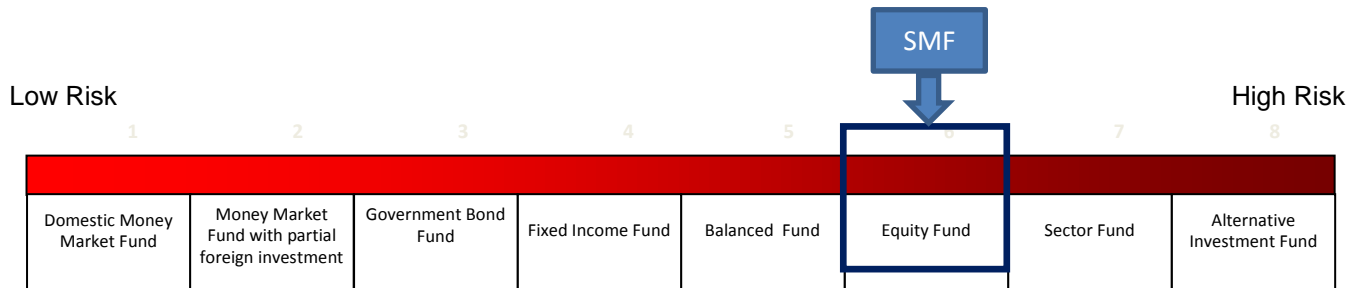
## Risk Factors

The policy is to invest in equity securities which are registered on the Stock Exchange of Thailand as well as on international stock exchanges. The Fund emphasizes value investing in the shares of Thai and foreign companies with strong links to the Greater Mekong Sub-Region (GMS) (including Thailand, Vietnam, Laos, Cambodia, Yunnan province of China, and Myanmar) with a development theme and poised to benefit from ASEAN (AEC) integration. The Fund will invest on average at least 80% of the Fund's net asset value in such securities in each financial year. The remaining net asset value will be invested in deposits or other assets or profit acquisition by other means as prescribed by SEC or the Office of the SEC.





### Risk spectrum



#### Details of Risk Factors:

(1) **Business Risk** is the possibility that a company will have lower than anticipated profits or experience a loss rather than taking a profit.

**Risk Management:** The Management Company will analyze and assess the quality of securities and invest in companies which have good fundamentals, and it will also consistently check on and analyze pertinent information regarding the company. In case the financial performance of the company worsens or the company's financial status deteriorates and this adversely affects the Fund, the Fund Manager will adjust the portfolio of the Fund accordingly.

(2) **Credit Risk** is the risk of default on a debt that may arise from an issuer failing to make required payments.

**Risk Management:** The Management Company will analyze the creditability of the issuer and analyze other factors that affect the price of the debt in order to ensure investment in quality assets and the proper diversification of such investments.

(3) **Market Risk** is the risk of volatility of a securities' price caused by economic and political volatility.

**Risk Management:** The Management Company will check up on and analyze the pertinent economic and political factors that may affect the price of securities and consider adjusting the proportion of securities held if need be.

(4) **Liquidity Risk** is a risk that the Fund is unable to buy or sell stocks at a reasonable price.



**Risk Management:** The Fund Manager shall diversify its investments and prudently select the securities in which to invest.

**(5) Exchange Rate Risk** is the risk that changes in the relative value of certain currencies will reduce the value of investments denominated in a foreign currency.

**Risk Management:** The Fund does not have a hedging policy but the Fund Manager will ensure diversification by investing in stocks listed on the stock exchanges of many countries so that the Fund which should reduce the exchange rate risk.

**(6) Leverage Risk** is the risk from investing in derivatives for hedging purposes, the price of which may be more volatile than simply directly investing in securities. The Management Company may or may not invest in derivatives.

**Risk Management:** The Management Company will consider investing in derivatives for hedging purposes where to do so would be to the Unitholder's benefit.

**(7) Country Risk** is the risk arising from the political, economic, or equity market factors of such country affecting payment and remittance capabilities.

**Risk Management:** The Fund Manager will analyze pertinent factors and consistently monitor the economic and political situation of the countries in which the Fund invests.

**Fees and Expenses charged to the Fund and Unitholders**

<b>Fees charged to the Fund (1) (2)</b>	<b>Charged as a percentage per annum of the NAV after liabilities (with the exception of the Management Fee, Registrar Fee, Trustee Fee and any other fee of a similar character) have been deducted</b>
<b>Maximum total estimable fees and expenses (3)</b>	<p>General (Non-Retail) Investors - 7.00% p.a.</p> <p>Institutional Investors - 7.00% p.a.</p>
<b>Management Fee (1)</b>	<p style="text-align: center;"><u>Current Fee</u></p> <p>General (Non-Retail) Investors - 1.8725% p.a.</p> <p>Institutional Investors - 1.47125% p.a.</p> <p style="text-align: center;"><u>Maximum Possible Fee</u></p> <p>In case of any increases in the Management Fee in the future, such Management Fees shall not in any event exceed 3.30% p.a. for either investor class.</p>
<b>Trustee Fee</b>	<p style="text-align: center;"><u>Maximum possible Fee</u></p> <p>General (Non-Retail) Investors - 1.10% p.a.</p> <p>Institutional Investors - 1.10% p.a.</p>
<b>Registrar Fee</b>	<p style="text-align: center;"><u>Maximum possible Fee</u></p> <p>General (Non-Retail) Investors - 0.22% p.a.</p>

	Institutional Investors - 0.22% p.a.
<b>Other estimable expenses</b>	Actual amount charged.
<b>Advertising expenses</b>	During the IPO period: actual expenses but in any case not exceeding 1,000,000 Baht p.a.  After the IPO period: actual expenses but in any case not exceeding 0.15% of the NAV p.a.
<b>Fees and expenses that cannot be estimated</b>	Expenses associated with the process of Unitholder voting and the cost of changing the Prospectus - Actual expense or cost charged.  Other expenses that cannot be estimated - Actual expense or cost charged.

- (1) These fees include VAT but do not include any other taxes.
- (2) These fees do not include commission fees and other fees related to the buying and selling of securities.
- (3) Estimable Fees and expenses are capped at 7% per annum of the NAV after liabilities (with the exception of the Management Fee, Registrar fee, Trustee Fee and any other fee of a similar character) have been deducted. Such estimable Fees and expenses do not include fees and expenses that cannot be estimated, which will be charged at actual cost.

<b>Fee charged to Unitholders (for both investor classes) (3)</b>	<b>Cap on Charge</b>	<b>Current Charge</b>
<b>Front-end Fee (1)</b>		
(1) During IPO	Not exceeding 3.30% of the par price.	1.61% of the par price.
(2) After IPO	Not exceeding 3.30% of the unit price.	1.61% of the unit price.

<b>Back-end Fee (1)</b>	Not exceeding 1.10% of the unit price.	Waive
<b>Switching Fee (1)</b>		
- Switching-in Fee	Not exceeding 3.30% of the Offer Price of units.	1.61% of the Offer Price of units.
- Switching-out Fee	Not exceeding 1.65% of the Offer Price of units.	Waive
<b>Fee and expensed related to securities trading (2)</b>	Not exceeding 0.55% of the Offer or Bid Price of units.	N.A.
<b>Fee for transfer of units in the Fund into someone else's name</b>	10 Baht per 1,000 units	
<b>Bank charges</b>	N.A.	Actual charge made by the bank.
<b>Fee for issuing a certificate showing the units held by a unitholder in the Fund</b>	50 Baht	
<b>Other expenses and fees charged where a unitholder makes a special request</b>	N.A.	Actual charge made by the Registrar.

- (1) The Management Company reserves the right to charge each class of investor a different fee (i.e., the right to charge Class A Investors a different fee to the Class I Investors). If the Management Company decides to charge each class of investor a different fee, it shall inform the unitholders at least seven (7) days in advance by posting an announcement at the office and/or on the website of the Management Company and/or at the office of the selling agents.
- (2) The Management Company will charge any fees related to the trading of securities when an investor subscribes for or redeems units and such fee is included in the calculation of the Bid or Offer Price. Such a fee pays for the expenses or fees associated with the trading of securities when the Fund is charged such expenses or fees by, for example, brokers.



(3) These fees include VAT but do not include any other taxes.

Remarks: The Management Company cannot increase the charges, fees and expenses by an amount exceeding 5% within a one (1) year period, except where unitholders holding a majority of units consent to an increase beyond 5% within a year by the passing of a resolution.

In case there is a change in the level of fees and expenses, the Management Company will inform the unitholders at least sixty (60) days in advance by:

- (1) posting an announcement in one daily newspaper on three (3) consecutive days; and
- (2) posting an announcement in the office and on the website of the Management Company and in the office of the selling agents.

#### Investment Ratio of the Fund

#### Part I: Investment Ratio Limits in respect of a Single Entity, Issuer, Payer or Contractual Party (Single Entity Limit):

No.	Asset Type	Ratio (% of NAV)
1	Unit Trust of a CIS.	No limit
2	Deposits or near-cash.	Not exceeding 20%

3	<p>Assets:</p> <p>3.1. Equity instruments which are listed on the Stock Exchange of Thailand or a foreign stock exchange for Investors, excluding equities of listed companies that are in the process of appealing not to be delisted on the Stock Exchange of Thailand or on a foreign stock exchange.</p> <p>3.2. Equity instruments which are issued by listed companies in accordance with either Thai or foreign laws. The stocks are traded on the Stock Exchange of Thailand or on a foreign stock exchange for Investors, excluding equities of listed companies that are in the process of appealing not to be delisted on the Stock Exchange of Thailand or on a foreign stock exchange.</p> <p>3.3. IPO stocks according to 3.1.</p> <p>3.4. OTC (privately traded) Derivatives the issuer of which has an investment grade credit rating.</p> <p>3.5. Unit trust of an infrastructure or property fund that:</p> <p>3.6.1. is listed on the Stock Exchange of Thailand or on a foreign stock exchange for Investors or in the IPO period for listing, excluding equities of listed companies that are in the process of appealing not to be delisted on the Stock Exchange of Thailand or on a foreign stock exchange.</p> <p>3.6.2. is not diversified.</p>	<p>Total ratio not exceeding the higher of:</p> <p>(1) 15% or</p> <p>(2) An amount equivalent to the weighting of that asset in the benchmark +5%</p>
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4	Unit trust of an infrastructure or property fund that diversifies its investments in infrastructure projects, in freehold or leasehold.	No limit
5	Other assets apart from No. 1-4 (SIP).	Total not exceeding than 5%

Remark: In the case of the assets mentioned below, there is no investment ratio limit in respect of a single entity issuer, payer or contractual partner:

1. Deposit or near-cash for the Fund's operation.
2. Derivatives listed on an organized exchange.

**Part II: Investment Ratio Limit in respect of Investment in a Group of Companies (Group Limit):**

No.	Asset Type	Ratio (% of NAV)
1	Investment in companies in the same group or acting as the contractual partner of such companies.	Total ratio not exceeding the higher of: (1) 25% or (2) An amount equivalent to the weighting of that asset in the benchmark +10%

Remark: In case of the assets mentioned below, there is no group limit:

1. Deposit or near-cash for the Fund's operation.
2. Derivatives listed on an organized exchange.



**Part III: Investment Ratio Limit in respect of a Product Type (Product Limit):**

No.	Asset Type	Ratio (% of NAV)
1	<p>Deposits and certificates of deposit when the following persons are the issuers, payers or contractual partners:</p> <ul style="list-style-type: none"> <li>(1) Banks created by a special law,</li> <li>(2) Commercial banks,</li> <li>(3) Finance companies,</li> <li>(4) Credit foncier companies,</li> <li>(5) Secondary mortgage corporations.</li> </ul> <p>Excluding assets that the Fund receives from the ownership transfer from the contractual partner to a derivatives contract.</p>	<ul style="list-style-type: none"> <li>- Not exceeding 45% of the NAV of the Fund in any financial year, unless the tenure of the Fund is less than one (1) year, in which case the holding should not exceed 45% of the average NAV of the Fund's duration.</li> <li>- The above ratio is not applied when the tenure of the Mutual Fund is equal to or more than one (1) year but it will mature in six (6) months or less.</li> </ul>
2	<p>Assets:</p> <ul style="list-style-type: none"> <li>2.1 Deposits or near-cash in respect of which the fixed deposit period is more than 12 months.</li> <li>2.2 Total SIP assets according to No. 3 of this part.</li> </ul>	Total not exceeding 25%
3	Total SIP assets (including SIP assets noted at Part I, No. 5.	Total not exceeding 15%
4	<p>Derivatives:</p> <p>Derivatives transactions for hedging purposes.</p>	<p>Cannot invest in complex types of derivatives.</p> <p>Not exceeding the net exposure of the underlying.</p>



	Derivatives transactions for non-hedging purposes.	Not exceeding 100% of the NAV.
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Remark: No product limits apply to investments in deposits or near-cash for the Fund's operation.

**Part IV: Investment Ratio and Concentration Limits:**

No.	Asset Type	Limits
1	Shares of one company.	<p><u>In the case of a Mutual Fund (which is not Vayupak Fund)</u></p> <p>The total number of shares in one company held by every mutual fund under the management of the Management Company must not exceed 25% of the total rights of voting of that company (not including the Vayupak Fund).</p>
2	Unit trust of a single CIS.	<p>Not exceeding one-third of the total units of a domestic or foreign CIS, unless the Office of the SEC provides an exemption. The unit trust of the CIS must be small, a newly registered fund (registered within two (2) years) and make public offers of units to investors.</p>
3	Unit trust of a single infrastructure fund.	<p>Not exceeding one-third of the total units of such infrastructure fund, unless the Office of the SEC provides an exemption. The unit trust of the infrastructure fund must be small, a newly registered fund (registered within two (2) years) and make public offers of units to investors.</p>



4	Unit trust of a single property fund.	Not exceeding one-third of the total units of such property fund, unless the Office of the SEC provides an exemption. The unit trust of the property fund must be small, a newly registered fund (registered within two (2) years) and make public offers of units to investors.
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The investment ratio calculations and policy are in accordance with the regulations of the SEC regarding investments.

#### Disclaimer

- The SKFM Mekong Fund will invest up to 50% of its net asset value in equity securities listed on stock exchanges of foreign countries, and therefore the Fund faces the risk of economic and political volatility and upheaval of those countries.
- Investing in investment units is not the same as placing money on deposit with a bank and such investments are not under the protection of the Deposit Protection Agency. Investors face the risk of not receiving the return of their investment funds in full.
- Under the investment policy of the Fund, the Fund can invest in derivatives to enhance the portfolio's return, but such investment would create more risk for the Fund. Suitable investors for the Fund can understand the risk of investing in derivatives and make an investment decision based on their risk appetite.
- The existence of a draft Prospectus for the offering of investment units of the Mutual Fund does not mean that the SEC has certified the correctness of the information in the Prospectus or guaranteed the price of or return on the offered investment units.
- The Management Company can on its own behalf invest in securities or other assets invested in by the Fund, but there must be in place a system to deal with any conflicts of interest.
- The Management Company may allow its employees to invest in securities and other assets on their own behalf but in this regard the Management Company will follow all relevant regulations.
- Investors should ensure that the person selling investment units is a person approved by the Office of the SEC.



- Investor should check for information concerning related persons and conflicts of interest via the Office of the SEC or the website of the SEC (<http://www.sec.or.th>).
- The performance of the Mutual Fund does not depend on the financial status or performance of the Management Company or the selling agents.
- In case of an abnormal event, an investor might receive payment of redemption monies later than specified in the Prospectus.
- An investor can find information regarding the proxy voting process at the office or on the website ([www.skfm.com](http://www.skfm.com)) of the Management Company.
- The Management Company and/or the Selling Agent reserve the right to request information and/or documents from subscribers, Unitholders or related persons to comply with AMLO's regulation of Thailand or other countries and the notifications of the Office of the SEC regarding risk management and money laundering.

Date as of 2 August 2017