

## Objectives

JF Japan OTC Fund Inc. (the “Company”) provides investors with access to the Over-The-Counter (“OTC”) market in Japan which is the most dynamic section of one of the world’s largest stock markets and represents the first step towards possible listing on the main stock exchanges for most private companies. The Company may also invest in the Mothers Market and the NASDAQ Japan market. These offer considerable potential investment opportunities in Japan’s smaller and faster growing companies. The Company seeks to exploit that potential through the experience of a specialist small company investment team.

The Company’s objective is to secure long-term capital appreciation of assets through investment in a diversified portfolio of equity securities traded on the Japan OTC market, the Mothers Market and the NASDAQ Japan market offering potentially attractive financial returns through long-term earnings growth.

## Management

JF Asset Management Limited (“JFAML”) (former name ‘Jardine Fleming Investment Management Limited’) is the investment management company appointed to advise and manage the Company’s portfolio. Jardine Fleming Investment Trust and Advisory Company Limited (“JFITAC”) is the investment adviser to the Company.

With the completion of the merger between Robert Fleming Holdings Ltd. and The Chase Manhattan Corporation (“Chase”) in October 2000, and the subsequent merger between Chase and J.P. Morgan & Co. Incorporated, both JFAML and JFITAC became part of J.P. Morgan Chase & Co. (“JPMC”), one of the world’s premier financial services institutions. In asset management, JPMC will operate globally under the name of JPMorgan Fleming Asset Management (“JPMFAM”), although in Asia it will use the sub-brand JF Asset Management. The investment philosophy of JPMFAM is to maintain two distinct and separate investment processes for their equity products and no change is anticipated in the management of the Company.

## Market Information

**The Company is listed on the Stock Exchange of Hong Kong and the Share Price and Net Asset Value are published in:**

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- South China Morning Post (first Thursday of each month)
- Hong Kong Economic Journal (first Thursday of each month)
- Financial Times (daily) — share price in ‘Investment Companies’ section of the London Share Service and net asset value in ‘Other Offshore Funds’ section of the FT Managed Funds Service
- Reuters (pages INGB26, JFIC, RSJA57, MER12, WDRIFJP1 and LCFR07)
- Bloomberg (stock code 881).

The shares are traded through the market makers in IDRs (100 shares) and settlement is through Euroclear and Cedel.