

Key Investor Information Document

This document provides you with key investor information about the Fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of the Fund. You are advised to read it so you can make an informed decision about whether to invest.

SPARX Japan Fund (the "Fund"), a sub-fund of SPARX Funds plc (the "Company")
GBP Hedged Class B Shares (Hedged Class): ISIN: IE00BD4F5K64
(the "Shares")

Objectives and Investment Policy

The Fund's objective is to provide long-term capital growth by identifying and acquiring undervalued Japanese equities by capitalizing on the Investment Advisor's intensive "in-house" research expertise and extensive information network established through independent investment experience in Japan since 1989. The Fund seeks long-term capital appreciation.

In seeking to achieve its objective, the Fund will normally invest at least 80% of its assets in equity securities of Japanese companies, and in any event, will at all times invest at least two-thirds of its total assets in equity securities issued by companies which are domiciled or exercise the predominant part of their economic activity in Japan. The Fund may invest the rest of its assets in ancillary liquid assets such as money market instruments (including banker's acceptances, commercial paper and negotiable certificates of deposit) or cash deposits. The Fund will invest primarily in securities denominated in Japanese yen.

The Fund's equity investments may include common stocks, preferred stocks, warrants and other rights (which are issued by a company to allow holders to subscribe for additional securities issued by that company), and securities convertible into or exchangeable for common stocks which are listed or traded on Recognised Exchanges.

The Fund may also invest in J-REITS (that is Real Estate Investment Trusts formed under Japanese Law which invest in

Japanese Real Estate) that are closed-ended and that are listed on the Tokyo Stock Exchange.

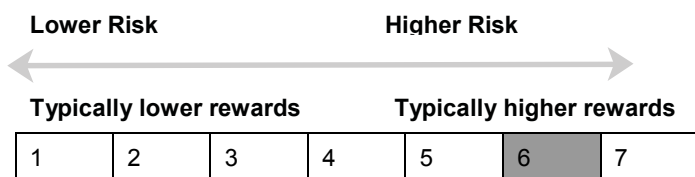
The Fund's portfolio is actively managed, and investment selection is research driven. As an actively managed Fund, portfolio holdings are not selected by reference to a specific index or other "benchmark". The number of holdings held by the Fund will vary, but the Fund will at most times hold more than 30 holdings.

The Fund will use forward currency contracts for hedging purposes and will engage in these hedging activities to reduce risk, with an objective to preserve the principal value of the portfolio investments. In particular the Investment Advisor will hedge the Fund against exchange rate fluctuation risks between the GBP and the base currency of the Fund.

Dividends may be paid in respect of the Shares or alternatively reinvested on behalf of the shareholders upon their request. The Investment Advisor recommends long term investment in the Fund.

You may redeem your Shares in the Fund on each Irish and Japanese business day. For the full investment objective, policy and strategy of the Fund and further information please refer to the prospectus for the Company and the Fund Information Card.

Risk and Reward Profile of the Fund



This indicator is a measure of a fund's volatility over the past five years. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free. The Fund has been classed as 6 because its volatility has been assessed as high.

The risk and reward profile of the Fund shown is not guaranteed to remain the same and may shift over time. This means the Fund is not guaranteed to always stay in the same category.

The principal risk is that the value of Shares and the income from them may go down as well as up and, accordingly, an investor may not get back the full amount invested. Another risk is that the securities of small sized (by market capitalisation) companies, or financial instruments related to such securities,

may have a more limited market than the securities of larger companies, resulting in more difficulty effecting sales of such securities at an advantageous time or without a substantial drop in price than securities of large capitalisation companies that have broad trading markets. In addition, securities of small sized companies may have greater price volatility as they are generally more vulnerable to adverse market factors.

Investment in securities traded on JASDAQ or MOTHERS involve considerations that are not applicable when investing in established, large cap companies, including reduced or less stringent listing standards for companies and markets, less disclosure requirements, illiquidity of securities and markets and increased market risk in general. Although the Fund will be considered a diversified portfolio there is the risk that the Fund may employ a relatively focused investment strategy and may hold securities of fewer issuers than other diversified funds.

Hedging transactions will be entered into to mitigate Shareholders' exposure to movements in the base currency of the Fund. Whilst this may substantially protect investors against a fluctuation in the value of the base currency of the Fund against the GBP Hedged Class B currency, this will not provide total protection against currency fluctuations and may lead to variations in the NAV per Share and thus the relative performance of a Share class. The Company Prospectus and Fund Information Card give you more details about all of the risk factors for the Fund.

Charges for the Fund

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry charge	None
Exit charge	It is not the current intention of the Directors to charge a redemption fee. The Directors are however entitled to charge a redemption fee of up to 3% on redemptions requested within 60 days of the relevant subscription by that Shareholder.
This is the maximum that might be taken out of your money before it is invested or before the proceeds of your investment are paid out.	
Charges taken from the Fund over a year	
Ongoing charges	1.25%*
Charges taken from the Fund under certain specific conditions	
Performance fee	0%

The **entry** and **exit** charges shown are maximum figures. In some cases you might pay less – you can find this out from your financial adviser.

*Given the Shares have not had one full fiscal year yet, the **ongoing charges** mentioned are estimates.

These figures may vary from year to year. It excludes:
• Portfolio transaction costs, except in the case of an entry/exit charge paid by the Company when buying or selling units in another collective investment undertaking

For more information about charges, please see the section of the prospectus entitled “Fees and Expenses”, which is available at <http://www.sparxfunds.ie/>

Past Performance

- No performance data is available for the Shares as these shares have not yet launched.

Practical Information

Depository: HSBC Institutional Trust Services (Ireland) DAC

- The NAV per Share is calculated in GBP. The NAV will be published on the business day following the relevant dealing day and made available on the internet at www.bloomberg.com and will be updated following each calculation of NAV per Share. The NAV per Share will be notified to the Irish Stock Exchange immediately following calculation.
- The Fund is subject to tax laws and regulations of Ireland. Depending on your home country of residence, this might have an impact on your investment. For further details, please speak to an adviser.
- You are entitled to switch from one Fund of the Company to another or one class to another, subject to the relevant Fund's switching charge. Please refer to the Company prospectus and Fund Information Card for further information on how to switch.
- The Company operates a UCITS compliant remuneration policy. The Company's up-to-date remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits is available once issued at the following website <http://www.sparxfunds.ie/> and a paper copy of such remuneration policy is available to investors free of charge upon request.
- The assets of the Fund are segregated from other funds in the Company. You can find out more information about the Company in the prospectus. The prospectus and periodic reports are in the name of the Company.
- Copies of the prospectus and the annual and half-yearly reports of the Company and the Fund may be obtained from the Administrator, free of charge, by contacting dub.afs.is@hsbc.com.

The Directors of the Company may be held liable under law for any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Company and the Fund Information Card or Class Information Card.

This Company was approved in Ireland on 30th October, 2003 and is regulated by the Central Bank of Ireland. This Key Investor Information Document is accurate as at 10 February, 2017.