



Announcement Amendment Prospectus and Terms Pelargos Japan Alpha Fund

Pelargos Capital B.V. (hereafter called "Pelargos" or "Manager"), in its role as manager of Pelargos Japan Alpha Fund (hereafter called "Fund"), would like to propose certain amendments in the prospectus and terms of the Fund. The main proposed amendments are described below. For a further explanation we refer to the attached draft prospectus dated December 8, 2016, which is also available on the manager's website (www.pelargoscapital.com).

Amendment cutoff date

The Manager intends to change the ultimate date at which the application and dealing forms for investments have to be received, will be amended from 5th business day prior to the dealing day into 3rd business day prior to the dealing day.

Valuation Day

The Manager intends to introduce the possibility to designate another day as valuation day that precedes a dealing day, to better comply with the obligation to issue a more accurate and reliable valuation. If the Manager designates another day as valuation day, the participants will be notified via the website of the Manager.

Termination (Sub)Class A (JPY) and (Sub)Class A (USD)

The Manager decided in accordance with the terms to terminate (Sub)Class A (JPY) and (Sub)Class A (USD). The termination has been approved by the meeting of participants in 2016.

Japan Stewardship Code

The Manager endorsed the Japan Stewardship Code and will engage with Japan listed companies in which the Fund invests.

Voting Policy

The Manager decided to exercise its voting rights more actively. A short summary of the voting policy is included in the prospectus.

Activities day-to-day policymakers

The activities which Patrick van de Laar performs for Saemor Capital B.V., a sister company of Pelargos, are disclosed in the prospectus.

Delegation compliance tasks

The Manager had outsourced its compliance activities to an external compliance officer, CLCS B.V. The Manager has the intention not to delegate its compliance activities anymore to an external compliance officer and will appoint an internal compliance officer.

Investment Policy and Costs

The Manager intends to describe the investment policy and the costs in the prospectus more clearly. To avoid any doubt the Manager has no intention to make material changes to the investment policy. Furthermore, the costs will not increase.

FATCA and CRS

The Fund has to comply with Foreign Account Tax Compliance Act ("FATCA") and Common Reporting Standard ("CRS"). If participants upon subscription do not provide the necessary FATCA and CRS information to the Manager, the Manager reserves the right not to subscribe the participant into the Fund.

Remuneration Policy Manager

The current remuneration policy of the Manager will be included in the prospectus.



Future announcements of change of terms

Pelargos plans in principle to communicate future changes in terms and conditions solely via its website, and no longer through direct mailing to participants. However, Pelargos might decide on a case-by-case basis whether participants will be informed directly via post or e-mail as well.

Effective date

If the changes as proposed in this letter are not subject to further amendment, the final changes will not be communicated separately, other than via the website of Pelargos. The changes in the prospectus and the terms and conditions will be effective from January 13, 2017. Before January 1, 2017, participants can redeem their participations in the Fund by following the usual procedures.

The Hague, December 12, 2016

Pelargos Capital B.V.