

Prospectus

AHAM WORLD SERIES - ASIA EX CHINA EQUITY FUND



MANAGER

AHAM Asset Management Berhad
Registration No: 199701014290 (429786-T)

TRUSTEE

TMF Trustees Malaysia Berhad
Registration No: 200301008392 (610812-W)

This Prospectus is dated 23 July 2025.

The AHAM World Series – Asia EX China Equity Fund was constituted on 23 July 2025.

*The constitution date for the Fund is also the launch date of the Fund.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 6.



YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.

Responsibility Statements

This Prospectus has been reviewed and approved by the directors of AHAM Asset Management Berhad (“AHAM”) and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in this Prospectus false or misleading.

Statements of Disclaimer

The Securities Commission Malaysia has authorised the Fund and a copy of this Prospectus has been registered with the Securities Commission Malaysia.

The authorisation of the Fund, and registration of this Prospectus, should not be taken to indicate that the Securities Commission Malaysia recommends the said Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Prospectus.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of AHAM, the management company responsible for the said Fund and takes no responsibility for the contents in this Prospectus. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Prospectus, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

Additional Statements

Investors should note that they may seek recourse under the *Capital Markets and Services Act 2007* for breaches of securities laws including any statement in this Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Prospectus or the conduct of any other person in relation to the Fund.

This Prospectus is not intended to and will not be issued and distributed in any country or jurisdiction other than in Malaysia (“Foreign Jurisdiction”). Consequently, no representation has been and will be made as to its compliance with the laws of any Foreign Jurisdiction. Accordingly, no issue or sale of Units to which this Prospectus relates may be made in any Foreign Jurisdiction or under any circumstances where such action is unauthorised.



INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF INVESTORS ARE UNABLE TO MAKE THEIR OWN EVALUATION, THEY ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS.

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CORPORATE DIRECTORY

The Manager/AHAM

AHAM Asset Management Berhad

Registered Office

27th Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur

Tel No. : (603) 2116 6000

Business Address

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Tel No. : (603) 2116 6000

Toll free line : 1-800-88-7080

E-mail : customercare@aham.com.my

Website : www.aham.com.my

The Trustee

TMF Trustees Malaysia Berhad

Registered Office and Business Address

Level 13, Menara 1 Sentrum, 201, Jalan Tun Sambanthan, Brickfields, 50470 Kuala Lumpur, W.P. Kuala Lumpur

Tel No. : (603) 2382 4288

Fax No. : (603) 2382 4170

E-mail: malaysia@tmf-group.com

Website: www.tmf-group.com

Note: You may refer to our website for an updated information on our details.

ABBREVIATION

AUD	Australian Dollar.
CIS	Collective investment scheme(s).
CUTA	Corporate Unit Trust Scheme Advisers.
EU	European Union.
EUR	Euro.
ESG	Environmental, social and governance.
ESMA	European Securities and Markets Authority.
FiMM	Federation of Investment Managers Malaysia.
FSA	Financial Services Authority.
GBP	British Pound Sterling.
IMRO	Investment Management Regulatory Organisation.
IUTA	Institutional Unit Trust Scheme Advisers.
Moody's	Moody's Investors Service.
MYR	Ringgit Malaysia.
OECD	Organisation for Economic Cooperation and Development.
OTC	Over-the-counter.
PHS	Product Highlights Sheet.
RMB	Renminbi.
SC	Securities Commission Malaysia.
SFDR	Sustainable Finance Disclosure Regulation.
SFT	Securities Financing Transactions.
SGD	Singapore Dollar.
S&P	Standard & Poor's Financial Services LLC.
UK	United Kingdom.
USD	United States Dollar.
US	United States of America.

GLOSSARY

Administrator	Means Northern Trust International Fund Administration Services (Ireland) Limited or any successor thereto duly appointed in accordance with the requirements of the Central Bank.
AIF	Means an alternative investment fund as defined in regulation 5(1) of the EU (Alternative Investment Fund Managers) Regulations 2013 (S.I. No. 257 of 2013) and/or any other collective investment undertaking meeting the criteria outlined in Regulation 68(1)(e) of the Regulations.
AUD Hedged-class	Represents a Hedged-class issued by the Fund which is denominated in AUD.
Base Currency	Means the currency in which the Fund is denominated i.e. USD.
Board	Means the board of directors of AHAM.
Bursa Malaysia	Means the stock exchange operated by Bursa Malaysia Securities Berhad including such other name as may be amended from time to time.
Business Day	Means a day on which Bursa Malaysia and/or one or more of the foreign markets in which the Fund is invested in are open for business/trading. The Manager may declare certain Business Days as non-Business Days when deemed necessary, such as (i) in the event of market disruption where the Target Fund is domiciled and/or where the Target Fund is predominantly invested in; (ii) if the jurisdiction of the Target Fund declares that day as a non-business day; and/or (iii) if that day is declared as a non-business day for the Target Fund.

Central Bank	Means Central Bank of Ireland or any successor regulatory authority with the responsibility for authorising and supervising the Company.
Central Bank UCITS Regulations	Means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as may be amended, supplemented or replaced from time to time.
Class(es)	Means any class of Units representing similar interests in the assets of the Fund although a class of Units of the Fund may have different features from another class of Units of the same Fund.
CMSA	Means the Capital Markets and Services Act 2007 as originally enacted and amended or modified from time to time.
Commencement Date	Means the date on which sale of Units of the Fund is first made. The Commencement Date is also the launch date of the Fund.
Company	Means TT International Funds Plc.
CVC Capital Partners Asia Fund V	Means collectively (1) CVC Capital Partners Asia V L.P.; (2) CVC Capital Partners Investment Asia V L.P.; and (3) CVC Capital Partners Asia V Associates L.P.
Dealing Day	Unless otherwise determined by the directors of the Company, notified in advance to Shareholders (including the Fund) and disclosed in the Target Fund Prospectus, each business day of the Target Fund i.e. any day other than Saturday or Sunday on which banks are open for business in Dublin and London; shall be a Dealing Day except where the determination of the net asset value of the Target Fund has been temporarily suspended in the circumstances set out under “ <i>Suspension of Calculation of Net Asset Value of the Target Fund</i> ” section in the Prospectus.
Deed	Refers to the deed dated 22 July 2024 entered into between the Manager and the Trustee and includes any subsequent amendments and variations to the Deed.
Depository	Means Northern Trust Fiduciary Services (Ireland) Limited or any successor thereto duly appointed with the prior approval of the Central Bank.
EEA	Means the European Economic Area, comprising at the date of the Target Fund Prospectus the Member States, Norway, Iceland and Liechtenstein.
EUR Hedged-class	Represents a Hedged-class issued by the Fund which is denominated in EUR.
FDI	Means a financial derivative instrument permitted by the Regulations.
Financial Institution	Means (1) if the institution is in Malaysia – (i) Licensed Bank; (ii) Licensed Investment Bank; or (iii) Licensed Islamic Bank; or (2) if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.
Forward Pricing	Means the price of a Unit which is the NAV per Unit calculated at the next valuation point after a purchase request or a repurchase request, as the case may be, is received by the Manager.
Fund	Refers to AHAM World Series – Asia ex China Equity Fund.
GBP Hedged-class	Represents a Hedged-class issued by the Fund which is denominated in GBP.
Guidelines	Refers to the <i>Guidelines on Unit Trust Funds</i> issued by the SC and as may be amended from time to time.
Hedged-class	Means a particular Class that aims to reduce the effect of exchange rate fluctuations between the Base Currency and the currency in which the Unit Holders are exposed to through the NAV hedging method carried out by the Fund. The NAV hedging method is undertaken to mitigate substantial currency movements between the Base Currency and the currency of the Hedged-class.
Investment Manager	Refers to TT International Asset Management Ltd., as the investment manager of the Target Fund.
Licensed Bank	Means a bank licensed under the Financial Services Act 2013.
Licensed Investment Bank	Means an investment bank licensed under the Financial Services Act 2013.
Licensed Islamic Bank	Means an Islamic bank licensed under the Islamic Financial Services Act 2013.

LPD	Means 23 July 2024 and is the latest practicable date whereby the information disclosed in this Prospectus shall remain relevant and current as at the date of issue of this Prospectus.
Manager / AHAM Management Company	Refers to AHAM Asset Management Berhad. Refers to Carne Global Fund Managers (Ireland) Limited, as the management company of the Target Fund.
Market(s) medium to long term	Means stock exchanges and regulated markets set out in Appendix II. Means a period of 3 years and above.
Member State	Means a member state of the EU.
MYR Class	Represents a Class issued by the Fund which is denominated in MYR.
MYR Hedged-class	Represents a Hedged-class issued by the Fund which is denominated in MYR.
Net Asset Value or NAV	Means the value of all the assets of the Fund less the value of all the liabilities of the Fund at a valuation point. Where the Fund has more than one Class, there shall be a Net Asset Value of the Fund attributable to each Class.
NAV per Unit	Means the NAV of the Fund at a particular valuation point divided by the number of Units in Circulation at the same valuation point; where the Fund has more than one Class, there shall be a Net Asset Value per Unit for each Class; the Net Asset Value per Unit of a Class at a particular valuation point shall be the Net Asset Value of the Fund attributable to that Class divided by the number of Units in Circulation of that Class at the same valuation point.
Prospectus	Means this prospectus and includes any supplemental or replacement prospectus, as the case may be.
Regulations	Means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 as amended, including any conditions that may from time to time be imposed thereunder by the Central Bank.
Repurchase Charge	Means a charge imposed pursuant to a repurchase request.
Repurchase Price	Means the price payable to you by us for a Unit pursuant to a repurchase request and it shall be exclusive of any Repurchase Charge. <i>The Repurchase Price is equivalent to the initial offer price during the initial offer period and NAV per Unit after the initial offer period.</i>
RMB Hedged-class	Represents a Hedged-class issued by the Fund which is denominated in RMB.
Sales Charge	Means a charge imposed pursuant to a purchase request.
Selling Price	Means the price payable by you for us to create a Unit in the Fund and it shall be exclusive of any Sales Charge. <i>The Selling Price is equivalent to the initial offer price during the initial offer period and NAV per Unit after the initial offer period.</i>
SGD Hedged-class	Represents a Hedged-class issued by the Fund which is denominated in SGD.
Shareholder	Means holders of Shares and each a "Shareholder".
Shares	Means participating shares in the Company representing interests in the Target Fund and where the context so permits or requires any class of participating shares representing interests in the Target Fund.
Special Resolution	Means a resolution passed by a majority of not less than three quarter ($\frac{3}{4}$) of Unit Holders voting at a meeting of Unit Holders. <i>For the purpose of terminating the Fund or a Class, a special resolution is passed by a majority in number representing at least three quarter ($\frac{3}{4}$) of the value of Units held by Unit Holders voting at the meeting.</i> <i>For the purpose of terminating a Class, a special resolution passed by Unit Holders of that particular Class voting at the meeting is required.</i>

Stock Connect	Means the Shanghai Stock Connect and the Shenzhen Stock Connect which allow non-Chinese investors to purchase certain China A-Shares via brokers in Hong Kong and/or any other similar stock connect program between any other city of the People's Republic of China and Hong Kong when it becomes available to, and can be utilised by, the Company.
Target Fund	Refers to TT Asia ex China Equity Fund.
Target Fund Prospectus	Means the prospectus of the Target Fund dated 3 May 2024 and the supplemental prospectus dated 8 May 2024, as amended, modified or supplemented from time to time.
TCA	Means the Irish Taxes Consolidation Act, 1997, as amended.
Trustee	Refers to TMF Trustees Malaysia Berhad.
UCITS	Means an undertaking for collective investment in transferable securities within the meaning of the Regulations.
UCITS Rules	Means the Central Bank UCITS Regulations and any guidance or Q&A document issued by the Central Bank from time to time pursuant to the Central Bank UCITS Regulations or any document published by the Central Bank which sets down all of the conditions which the Central Bank imposes on UCITS, their management companies and depositaries
Umbrella Cash Subscription and Redemption Account	Means a subscription and redemption account at umbrella level in the name of the Company.
Unit(s)	Means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a unit of the Fund; if the Fund has more than one Class, it means a unit issued for each Class.
Units in Circulation	Means Units created and fully paid and which have not been cancelled. <i>It is also the total number of Units issued at a particular valuation point.</i>
Unit Holder(s), you	Means the person / corporation for the time being who, in full compliance to the relevant laws and under the Deed, is registered pursuant to the Deed as a holder of Units of the Fund including persons jointly registered.
USD Class	Represents a Class issued by the Fund which is denominated in USD.
US Person	Means a US citizen or US tax resident individual, (including a green-card holder, an individual with substantial US presence and an individual who has US permanent or mailing address), a US corporation, US partnership, US trust or US estate for US federal income tax purposes.

Note:

Reference to first person pronouns such as "we", "us" or "our" in this Prospectus means the Manager/AHAM.

RISK FACTORS

This section provides you with information on the risks associated with investing in the Fund.

GENERAL RISKS OF THE FUND

➤ **Market Risk**

Market risk arises because of factors that affect the entire market place. Factors such as economic growth, political stability and social environment are some examples of conditions that have an impact on businesses, whether positive or negative. Market risk cannot be eliminated but may be reduced through diversification. It stems from the fact that there are economy-wide perils, or instances of political or social instability which threaten all businesses. Hence, the Fund will be exposed to market uncertainties and fluctuations in the economic, political and social environment that will affect the market price of the investments either in a positive or negative way.

➤ **Fund Management Risk**

This risk refers to our day-to-day management of the Fund which will impact the performance of the Fund. For example, our investment decisions as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the Deed, relevant law or guidelines due to factors such as human error, fraud, dishonesty or weaknesses in operational process and systems, may adversely affect the performance of the Fund.

➤ **Performance Risk**

The performance of the Fund depends on the financial instruments that the Fund purchases. If the instruments do not perform within expectation or if there is a default, then, the performance of the Fund will be impacted negatively. The performance of the Fund may also be impacted if the allocation of assets is not properly done. This is where the experience and expertise of the fund managers are important and the risk on the lack of experience and expertise of the fund managers has been highlighted above. On that basis, there is never a guarantee that investing in the Fund will produce the desired investment returns or on the distribution of income.

➤ **Operational Risk**

This risk refers to the possibility of a breakdown in our internal controls and policies. The breakdown may be a result of human error, system failure or fraud where our employees collude with one another. This risk may cause monetary loss and/or inconvenience to you. We will regularly review our internal policies and system capability to mitigate instances of this risk. Additionally, we maintain a strict segregation of duties to mitigate instances of fraudulent practices amongst our employees.

➤ **Inflation Risk**

This is the risk that your investment in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the value of the investment in monetary terms has increased.

➤ **Loan / Financing Risk**

This risk occurs when you take a loan or financing to finance your investment. The inherent risk of investing with borrowed/financed money includes you being unable to service the loan/financing repayments. In the event Units are used as collateral, you may be required to top-up your existing instalment if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower NAV per Unit as compared to the NAV per Unit at the point of purchase towards settling the loan/financing.

➤ **Suspension of Repurchase Request Risk**

Having considered the best interests of Unit Holders, the repurchase requests by the Unit Holders may be subject to suspension due to exceptional circumstances that occur at the Target Fund level, where the market value or fair value of a material portion of the Target Fund's assets cannot be determined. Such exceptional circumstances involves the suspension of dealing by the Target Fund upon the occurrence of any events mentioned in the section "*Suspension of Calculation of Net Asset Value of the Target Fund*" in this Prospectus. In such case, Unit Holders will not be able to redeem their Units and will be compelled to remain invested in the Fund for a longer period of time*. Hence, their investments will continue to be subject to the risks inherent to the Fund.

*For further information on repurchase process during suspension period, please refer to "*What is the Repurchase Proceeds Payout Period*" section below.

➤ **Related Party Transaction Risk**

The Fund may also have dealings with parties related to AHAM. Nevertheless, it is our policy that all transactions with related parties are to be executed on terms which are best available to the Fund and which are not less favourable to the Fund than an arm's length transaction between independent parties.

SPECIFIC RISKS OF THE FUND

Specific risks relating to the Fund are as below:

➤ **Concentration Risk**

The Fund is a feeder fund which invests in a single CIS. Any adverse effect on the Target Fund will inevitably affect the Fund as well. The performance of the Fund is also dependent on the performance of the Target Fund. This risk may be mitigated as the Manager is allowed to take temporary defensive positions in response to adverse market conditions. The Manager is also able to substitute the Target Fund with another fund with similar objective of the Fund if, in the Manager's opinion, the Target Fund no longer meets the Fund's objective subject to Unit Holders' approval with prior notification to SC.

For better understanding of the risks associated to the Target Fund, please refer to the section "*Specific risks of the Target Fund*" below.

➤ **Currency Risk**

The currency risk is applicable to the investments of the Fund which are denominated in a different currency than the Base Currency. Any fluctuation in the exchange rate between the Base Currency and the currencies in which the non-USD investments are denominated may have an impact on the value of these non-USD investments. You should be aware that if the currencies in which the non-USD investments are denominated depreciate against the Base Currency, this will have an adverse effect on the NAV of the Fund in the Base Currency and vice versa. You should note that any gain or loss arising from the fluctuation in the exchange rate may further increase or decrease the returns of the non-USD investment.

Currency risk at the Class level

The impact of the exchange rate movement between the Base Currency and the currency of the respective Classes (other than USD Class) may result in a depreciation of your holdings as expressed in the Base Currency.

Currency risk at the Hedged-class level

Currency hedging reduces the effect of exchange rate movements for the Hedged-class, but it does not entirely eliminate currency risk between the Hedged-class and the Base Currency (not a perfect hedge). Hence, the unhedged portion of the respective Hedged-class will still be affected by the exchange rate movements and it may cause fluctuations of NAV of the respective Hedged-class. You should note, however, that if the exchange rate moves favourably, the Hedged-class will not benefit from any upside in currency movement due to the hedging strategy. In addition, hedging is subject to a minimum investment size of entering into a forward contract and the cost of hedging which may affect returns of the respective Hedged-class.

➤ **Liquidity Risk**

This is the risk that the Shares that is held by the Fund cannot be readily sold and converted into cash. This can occur when there is a restriction on redemption of Shares. The Investment Manager extend the period for payment of redemption proceeds of the Target Fund to such period as stated in the sections "Redemption Process and Redemption Limit of the Target Fund" and "What is the Repurchase Proceeds Payout Period?" in this Prospectus or suspend the realisation of Shares, during any period in which the determination of the net asset value of the Target Fund is suspended. As a result, the Fund may not be able to receive the repurchase proceeds in a timely manner which in turn may delay the payment of repurchase proceeds to the Unit Holders. In managing liquidity risk, we will maintain sufficient liquidity level for the purposes of meeting repurchase requests.

➤ **Counterparty Risk**

Counterparty risk is the risk associated with the ongoing ability and willingness of the issuers to derivatives ("investments") to fulfil their respective financial commitments to the Fund in a timely manner. Bankruptcy, fraud or regulatory non-compliance arising out of and/or in connection with the issuers may impair the operations and/or the performance of the Fund. However, we will conduct stringent credit selection process of the issuers of the investments prior to commencement of investments and monitoring mechanisms established by us may potentially mitigate this risk. If, we are of the opinion there is material adverse change to an issuer, we may consider unwinding the issuer's Investments to mitigate potential losses that may arise.

➤ **Country Risk**

Investments of the Fund in the Target Fund which is domiciled in Ireland may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of Ireland. For example, the deteriorating economic condition of such country may adversely affect the value of the investments undertaken by the Fund. This in turn may cause the NAV of the Fund or prices of Units to fall.

➤ **Target Fund Manager Risk**

The Target Fund (which the Fund invests in) is managed by the Management Company and the Investment Manager. It is important to note that the Manager has no control over the investment management techniques and operational controls of the Target Fund. Thus, mismanagement of the Target Fund (i.e breach of its prescribed investment restriction due to human error) may negatively affect the Fund (as an investor of the Target Fund). Should such a situation arise, the Manager may propose to invest in other alternative CIS that is consistent with the investment objective of the Fund provided always that the approval of the Unit Holders has been obtained.

The above description outlines all applicable risks to the Fund without prioritizing any specific order of importance. Investments in unit trust funds may also expose you to additional risks over time. If in doubt, please consult a professional adviser.

SPECIFIC RISKS OF THE TARGET FUND

Specific risks relating to the Target Fund are as below:

➤ **Integration of Sustainability Risks**

The Investment Manager has determined that the Target Fund qualifies as an article 6 product pursuant to SFDR.

In managing the assets of the Target Fund, the Investment Manager takes account of any sustainability risks arising and the potential financial impact of such risks on the Target Fund's return. A sustainability risk is an environmental, social or governance event or condition that, if it occurs, could cause a material impact on either investment risk or return ("ESG Risk").

The Investment Manager believes that having an in-depth understanding of the relevant ESG issues applicable to the Target Fund's investments is a necessary aspect of evaluating the risk associated with a relevant investment. The Investment Manager incorporates such ESG considerations into the investment process at the stock selection stage as a mandatory part of assessing a potential investment and into the ongoing assessment and management of investments throughout the full life cycle of the Target Fund. This allows the Investment Manager to identify any ESG Risks before they escalate into events that may have investment ramifications and may potentially threaten the value of the Target Fund.

The Investment Manager's approach to integrating ESG factors, such as physical climate risk, health and safety, and corporate governance, into the investment process includes carrying out in-depth research (including utilising the Investment Manager's proprietary ESG company screen and ESG checklist), active ownership of stocks (such as exercising voting rights and engagement with the relevant company) and collaboration within the investment industry.

By implementing this ESG approach to the process of identification and selection of eligible securities, the potential impact on the return of the Target Fund is limited.

➤ **Consideration of Principal Adverse Impact**

In accordance with Article 7(2) of the SFDR, EU-based financial market participants are required to confirm if they consider principal adverse impacts of investment decisions on sustainability factors for the financial products they manage. In this regard, the Manager has confirmed that because it delegates the portfolio management function of the funds under its management, it does not consider the adverse impacts of investment decisions on sustainability factors at this time. This is due to the size and scale of its activities. In addition, investment decisions for the Target Fund are made by the Investment Manager and the Investment Manager does not consider principal adverse impacts of investment decisions on sustainability factors for the Target Fund.

➤ **Brexit Risk**

The UK officially withdrew from the EU on 31 January 2020.

The EU and the UK agreed a Trade and Co-operation Agreement in December 2020 (the “Brexit Deal”). The departure of the UK from the EU has led to some economic instability and volatility in the financial markets of the UK and more broadly across the EU. Although the Brexit Deal covers many issues, such as economic partnership, free trade, law enforcement and judicial co-operation and governance, it is silent on items such as financial services equivalence. As such, there remains uncertainty as to the scope, nature and terms of the relationship between the UK and the EU and the effect and implications of the Brexit Deal. The UK and the EU are likely to continue to negotiate trading or other agreements for a number of years.

Until the terms of the UK’s continuing relationship with the EU are clearer, it is not possible to determine the impact that the UK’s departure from the EU and/or any related matters may have on the Target Fund or its investments, including, in each case, the market value or the liquidity thereof in the secondary market, or on the other parties to the transaction documents. However, given the size and importance of the UK’s economy, uncertainty about its legal, political and economic relationship the EU may continue to be a source of instability, create currency fluctuations, and/or otherwise adversely affect international markets, arrangements for trading or other existing cross-border co-operation arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise) for the foreseeable future. In particular, the uncertainty surrounding the UK’s relationship with the EU and its withdrawal as a Member State may adversely impact companies or assets based in, doing business in, or having services or other significant relationships in or with, the UK and/or the EU, including with respect to opportunity, pricing, regulation, value or exit.

In addition, the UK’s withdrawal as a Member State may have an adverse effect on the tax treatment of any investments in the UK. The EU directives preventing withholding taxes being imposed on intra-group dividends, interest and royalties may no longer apply to payments made into and out of the UK, meaning that instead the UK’s double tax treaty network will need to be relied upon. Not all double tax treaties fully eliminate withholding tax. Further, there may be changes to the operation of value-added tax (VAT) and the economic implications could potentially affect wider tax policy in the UK, such as the rate of corporation tax and other taxes. The outcome of the UK referendum could also have a destabilising effect if other member states were to consider the option of leaving the EU. For these reasons, the decision of the UK to leave the EU could have adverse consequences on the Target Fund, the performance of its investments and its ability to fulfil its investment objective and implement its investment strategy.

➤ **MiFID II Regulatory Risk**

The MiFID Regulations transpose into Irish law the EU’s Markets in Financial Instruments Directive (Directive 2014/65/EU) along with its accompanying regulation, the Markets in Financial Instruments Regulation (“MiFIR”) (Regulation 600/2014/EU), which are collectively known as “MiFID II”. The Regulations and MiFID II took effect on 3 January 2018. MiFID II is a wide ranging piece of legislation that affects financial market structure, trading and clearing obligations, product governance and investor protection. While MiFIR and a majority of the so-called “Level 2” measures are directly applicable across the EU as EU regulations, the revised MiFID directive was “transposed” into national law by Member States. In the course of the transposition process, certain Member States and their national competent authorities (“NCAs”) introduced requirements over and above those in the European text and apply MiFID II provisions to market participants that would not otherwise be caught by MiFID II. Market participants who are not directly subject to MiFID II have been indirectly impacted by its requirements. It is impossible to predict the consequences of future regulatory developments on the operation and performance of the Target Fund, which may be indirectly impacted by changes in market structure and/or regulatory interpretation, as the impact of MiFID II is still being felt and not all requirements are fully resolved. The regulatory regime applicable to the provision of investment services and activities within the EEA may evolve and develop further over time, and may be subject to future substantial changes. Such amendments or changes may require the adoption of specific procedural or organisational arrangements that may affect the activities performed by the Company, or entail additional costs to be borne in the performance of the activities regulated under MiFID II. In this respect, the regime provided under MiFID II and further developments in regulatory expectations and best practice under that regime, as well as any subsequent changes to the regulatory framework applying to the provision of investment services and activities, may adversely affect the ability of the Company to perform its services.

➤ **EU General Data Protection Regulation (“GDPR”) Risk**

The GDPR took effect in all Member States on 25 May 2018 and replaced previous EU data privacy laws. Although a number of basic existing principles remain the same, the GDPR introduced new obligations on data controllers and rights for data subjects, including, among others:

- accountability and transparency requirements, which requires data controllers to demonstrate and record compliance with the GDPR and to provide more detailed information to data subjects regarding processing;
- enhanced data consent requirements, which includes “explicit” consent in relation to the processing of sensitive data;
- obligations to consider data privacy as any new products or services are developed and limit the amount of information collected, processed, stored and its accessibility;
- constraints on using data to profile data subjects;
- providing data subjects with personal data in a useable format on request and erasing personal data in certain circumstances; and
- reporting of breaches without undue delay (within 72 hours where feasible).

A breach of the GDPR could expose the Company, the Management Company or relevant service provider to regulatory sanction including potentially significant fines. The GDPR identifies a list of points to consider when imposing fines (including the nature, gravity and duration of the infringement). If there is a breach of the GDPR, the Company or the Management Company could face significant administrative and monetary sanctions as well as reputational damage which may have a material adverse effect on its operations, financial condition and prospects.

➤ **Cyber Crime and Security Breaches Risk**

With the increasing use of the internet in connection with the operations of the Company and/or the Management Company, the Company and/or the Management Company are susceptible to greater operational and information security risks through breaches in cyber security. Cyber security breaches include, without limitation, infection by computer viruses and gaining unauthorised access to the systems of the Company and/or the Management Company through “hacking” or other means for the purpose of misappropriating assets or sensitive information, corrupting data, or causing operations to be disrupted. Cyber security breaches may also occur in a manner that does not require gaining unauthorised access, such as denial-of-service attacks or situations where authorised individuals intentionally or unintentionally release confidential information stored on the systems of the Company and/or the Management Company. A cyber security breach may cause disruptions and impact the business operations of the Company and/or the Management Company, which could potentially result in financial losses, inability to determine the Target Fund’s net asset value, violation of applicable law, regulatory penalties and/or fines, compliance and other costs. The Company and its Shareholders could be negatively impacted as a result. In addition, because the Company and/or the Management Company work closely with third-party service providers (e.g. the Investment Manager and distributor, the sub-investment manager, the Administrator, and the Depositary), indirect cyber security breaches at such third-party service providers may subject the Company and its Shareholders to the same risks associated with direct cyber security breaches. Further, indirect cyber security breaches at an issuer of securities in which the Target Fund invests may similarly negatively impact the Company and its Shareholders. While the Company via its service providers has established risk management systems designed to reduce the risks associated with cyber security breaches, there can be no assurances that such measures will be successful.

In addition to risks to the Company, the Management Company and the Target Fund, Shareholders are advised to ensure communication methods with the Management Company, the Administrator and any financial advisors, including the Investment Manager and distributor are secure so as to prevent fraudulent changes of details or fraudulent.

➤ **Depositary Risk**

If the Target Fund invests in assets that are financial instruments that can be held in custody (“Custody Assets”), the Depositary is required to perform full safekeeping functions and will be liable for any loss of such assets held in custody unless it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. In the event of such a loss (and the absence of proof of the loss being caused by such an external event), the Depositary is required to return identical assets to those lost or a corresponding amount to that the Target Fund without undue delay. If the Target Fund invests in assets that are not financial instruments that can be held in custody (“Other Assets”), the Depositary is only required to verify that the Target Fund's ownership of such assets and to maintain a record of those assets which the Depositary is satisfied that the Target Fund holds ownership of. In the event of any loss of such assets, the Depositary will only be liable to the extent the loss has occurred due to its negligent or intentional failure to properly fulfil its obligations pursuant to the depositary agreement.

As it is likely that the Company may each invest in both Custody Assets and Other Assets, it should be noted that the safekeeping functions of the Depositary in relation to the respective categories of assets and the corresponding standard of liability of the Depositary applicable to such functions differs significantly.

The Company enjoys a strong level of protection in terms of Depositary liability for the safekeeping of Custody Assets. However, the level of protection for Other Assets is significantly lower. Accordingly, the greater the proportion of the Target Fund invested in categories of Other Assets, the greater the risk that any loss of such assets that may occur may not be recoverable. While it will be determined on a case-by-case basis whether a specific investment by the Target Fund is a Custody Asset or Other Assets, generally it should be noted that derivatives traded by the Target Fund OTC will be Other Assets. There may also be other asset types that the Target Fund invests in from time to time that would be treated similarly. Given the framework of Depositary liability under the Regulations, these Other Assets, from a safekeeping perspective, expose the Target Fund to a greater degree of risk than Custody Assets, such as publicly traded equities and bonds.

➤ **Emerging Markets Risk**

The Target Fund may invest a significant portion of its assets in the emerging-market economies which typically involve greater investment risk than funds focused on more-developed non-US markets. Emerging-market securities may present market, credit, currency, liquidity, legal, political, and other risks greater than, or in addition to, the risks of investing in developed non-US countries. These risks include: high currency exchange-rate fluctuations; increased risk of default (including both government and private issuers); greater social, economic, and political uncertainty and instability (including the risk of war); more substantial governmental involvement in the economy; less governmental supervision and regulation of the securities markets and participants in those markets; controls on non-US investment and limitations on repatriation of invested capital and on a fund's ability to exchange local currencies for US dollars or any other non-local currency used as a base currency of the Target Fund; unavailability of currency hedging techniques in certain emerging-market countries; the fact that companies in emerging-market countries may be newly organized, smaller, and less seasoned; the difference in, or lack of, auditing and financial reporting standards, which may result in the unavailability of material information about issuers; different clearance and settlement procedures, which may be unable to keep pace with the volume of securities transactions or otherwise make it difficult to engage in such transactions; difficulties in obtaining and/or enforcing legal judgments in non-US jurisdictions; custody risk due to the fact that emerging markets are by definition "in transformation" and are therefore exposed to the risk of swift political change and economic downturn; and significantly smaller market capitalizations of emerging-market issuers.

➤ **Exchange Rate Risk**

The performance of certain classes of Shares may be strongly influenced by exchange rate movements because currency positions held by the Company may not correspond with the securities positions held.

➤ **Legal Risk**

Legal systems are evolving in emerging market jurisdictions and they may not as developed as that of a western country. The regulatory environment may be uncertain and the issuance of regulations may not always keep pace with market developments, thereby creating ambiguities and inconsistencies. Regulations governing SFTs may not exist or may be interpreted and applied in an arbitrary or inconsistent manner. There may be a risk of conflict between the rules and regulations of the local, regional, and national governments. The independence of the courts from economic, political, or national influence may be untested and the courts and judges may not be experienced in business and corporate law. Foreign investors cannot be guaranteed redress in a court of law for a breach of local laws, regulations or contracts.

➤ **Liquidity Risk**

The Target Fund is exposed to liquidity risk when trading volume, lack of a market maker, or legal restrictions impair the Target Fund's ability to sell particular securities or close derivative positions at an advantageous market price. Target Fund's principal investment strategies may involve investments in securities of companies with smaller market capitalizations, non-US securities, derivatives, or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. Exposure to liquidity risk may be heightened should the Target Fund invests in securities of emerging markets and related derivatives that are not widely traded, and that may be subject to purchase and sale restrictions.

➤ **Operational Risk**

The Company is subject to risks caused by factors external to the instruments in which the Target Fund invest, such as system failures, poorly functioning technology, human error and processing mistakes, or defective organisation, internal processes or misconduct of employees of a third-party service provider. Such failures could have a negative impact on the Target Fund.

➤ **Pandemic Risk**

A widespread health crisis such as a global pandemic could cause substantial market volatility, exchange trading suspensions and closures, and affect the Target Fund performance. For example, the novel coronavirus disease (COVID-19) has resulted in significant disruptions to global business activity. The impact of a health crisis and other epidemics and pandemics that may arise in the future, could affect the global economy in ways that cannot necessarily be foreseen at the present time. A health crisis may exacerbate other pre-existing political, social and economic risks. Any such impact could adversely affect the Target Fund's performance.

➤ **Redemption Risk**

The Target Fund may need to sell its holdings in order to meet Shareholder redemption requests. Target Fund could experience a loss when selling securities to meet redemption requests if the Target Fund does not have adequate levels or sources of liquidity and redemption requests are unusually large or frequent or occur in times of overall market turmoil or declining prices for the securities sold, or when the securities the Target Fund wishes to or is required to sell are illiquid.

➤ **Russian Investments Risk / Ukraine Conflict**

The military conflict between Russia and Ukraine, in a relatively short period of time, has caused disruption to global financial systems, trade and transport, among other things. In response, multiple countries and organisations have put in place global sanctions and other severe restrictions or prohibitions on the activities of individuals and businesses connected to Russia. The European Union council also introduced a range of sanctions such as regulation ((EU) 833/2014) which restricts the sale of shares in collective investment schemes to Russian nationals and Russian entities. Other sanctions imposed have directly targeted transactions in Russian securities, impairing the ability of the Funds to buy, sell, receive and deliver such securities.

Prior to the imposition of the above-referenced sanctions relating to the military conflict between Russia and Ukraine, a number of countries, including the United States and Canada, had already instituted sanctions against certain Russian, Crimean and former Ukrainian officials, businessmen and entities.

Any sanctions (which include, but are not limited to, restrictions or prohibitions on investment in certain issuers), the threat of additional sanctions, and other actions that may be taken by any of these nations, other nations or international organisations against Russia and Russian issuers of securities in the future, as well as potential retaliatory actions that could be taken by Russia, may further adversely impact the Russian economy and the pricing and liquidity of Russian securities. In addition, further political or military actions by Russia, such as an increase on the price of government-controlled exports (e.g., natural gas exports), could have an adverse impact on the economies and debt of other emerging market countries as well as on the broader global economy. These events could have a negative effect on the performance of a Fund.

The ultimate impact of the Russia-Ukraine conflict and its effect on global economic and commercial activity and conditions, and on the operations, financial condition and performance of the Funds or any particular industry, business or investee country, and the duration and severity of those effects, is impossible to predict, and the conflict could have a significant adverse impact and result in significant losses to the Company. This impact may include reductions in revenue and growth, unexpected operational losses and liabilities and reductions in the availability of capital. Developing and further governmental actions (military or otherwise) have the potential to cause additional disruption and constrain or alter existing financial, legal and regulatory frameworks and systems, all of which could adversely affect the Funds' ability to fulfil their investment objectives.

Separate to the military conflict between Russia and Ukraine, under normal market conditions certain markets in central and eastern Europe present specific risks in relation to the settlement and safekeeping of securities. These risks result from the fact that physical securities may not exist in certain countries (such as Russia); as a consequence, the ownership of securities is evidenced only on the issuer's register of Shareholders. Each issuer is responsible for the appointment of its own registrar. In the case of Russia, this results in a broad geographic distribution of several thousand registrars across Russia. Russia's Federal Commission for Securities and Capital Markets (the "Commission") has defined the responsibilities for registrar activities, including what constitutes evidence of ownership and transfer procedures. However, difficulties in enforcing the Commission's regulations mean that the potential for loss or error still remains and there is no guarantee that the registrars will act according to the applicable laws and regulations. Widely accepted industry practices are still in the process of being established.

When registration occurs, the registrar produces an extract of the register of Shareholders as at that particular point in time. Ownership of shares is evidenced by the records of the registrar, but not by the possession of an extract of the register of Shareholders. The extract is only evidence that registration has taken place. It is not negotiable and has no intrinsic value. In addition, a registrar will typically not accept an extract as evidence of ownership of shares and is not obligated to notify the Depositary, or its local agents in Russia, if or when it amends the register of Shareholders. As a consequence of this Russian securities are not on physical deposit with the Depositary or its local agents in Russia. Therefore, neither the Depositary nor its local agents in Russia can be considered as performing a physical safekeeping or custody function in the traditional sense. The registrars are neither agents of, nor responsible to, the Depositary or its local agents in Russia. Investments in securities listed or traded in Russia will only be made in equity securities that are listed or traded on level 1 or level 2 of the Moscow Exchange. The Depositary's liability extends to its unjustifiable failure to perform its obligations or its improper performance of them and does not extend to losses due to the liquidation, bankruptcy, negligence or wilful default of any registrar. In the event of such losses the Target Fund will have to pursue its rights directly against the issuer and/or its appointed registrar. The aforesaid risks in relation to safekeeping of securities in Russia may exist, in a similar manner, in other central and eastern European countries in which the Target Fund may invest.

➤ **Segregated Liability Risk**

The Company is an umbrella structure with segregated liability between its funds. As a result, as a matter of Irish law, any liability attributable to the Target Fund may only be discharged out of the assets of that the Target Fund and the assets of other funds may not be used to satisfy the liability of the Target Fund. These provisions are binding both on creditors and in any insolvency but do not prevent the application of any enactment or rule of law which would require the application of the assets of one fund to discharge some or all liabilities of another fund, for example, on the grounds of fraud or misrepresentation. In addition, whilst these provisions are binding in an Irish court which would be the primary venue for an action to enforce a debt against the Company, these provisions have not been tested in other jurisdictions, and there remains a possibility that a creditor might seek to attach or seize assets of one fund in satisfaction of an obligation owed in relation to another fund in a jurisdiction which may not recognise the principle of segregation of liability between the funds.

The Company, the Management Company and the Investment Manager will not have control over the activities of any company or collective investment scheme invested in by the Target Fund. Managers of collective investment schemes and companies in which the Target Fund may invest may manage the collective investment schemes or be managed in a manner not anticipated by the Company, the Management Company or the Investment Manager.

➤ **Stock Connect Risk**

Stock Connect is a securities trading and clearing linked programme operating between the Stock Exchange of Hong Kong Limited ("SEHK"), the Shanghai Stock Exchange ("SSE"), the Shenzhen Stock Exchange ("SZSE") Hong Kong Securities Clearing Company Limited ("HKSCC") and China Securities Depository and Clearing Corporation Limited ("ChinaClear"), with an aim to achieve mutual stock market access between Mainland China and Hong Kong. Stock Connect comprises a Northbound Trading Link and a Southbound Trading Link. Under the Northbound Trading Link, Hong Kong and overseas investors (including a fund), through their Hong Kong brokers and the SEHK securities trading service company, may be able to trade eligible A-Shares listed on SSE or SZSE by routing orders to SSE or SZSE respectively. Under the Southbound Trading Link investors in China will be able to trade certain stocks listed on the SEHK.

Trading and Eligible Securities

The Company trades China A Shares through a broker who is affiliated to the Depositary's sub-custodian network and who is also a SEHK participant. Following the settlement by brokers or custodians as clearing participants, these China A Shares will be held in accounts in the Hong Kong Central Clearing and Settlement System ("CCASS") (the central clearing and settlement system operated by HKSCC for the clearing securities listed or traded on SEHK).

Under the Stock Connect, the Target Fund, through their Hong Kong brokers may trade certain eligible shares listed on the SSE or SZSE.

For the SSE, these currently include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding Shares listed on SEHK, except the following:

- SSE-listed shares which are not traded in RMB; and
- SSE-listed shares which are included in the "risk alert board".

The SSE does not permit ETFs as eligible securities.

For the SZSE, these include all constituent stocks of the SZSE Component Index and the SZSE Small/Mid Cap Innovation Index all SZSE-listed shares of companies that have issued both A shares and H shares. However, the SZSE, unlike the SSE, restricts investors who are eligible to trade shares listed on the ChiNext Board of SZSE to “institutional professional investors”.

The SZSE will include ETFs as eligible securities.

It is expected that the list of eligible securities will be subject to review.

Trading quota

Trading under the Stock Connect is subject to a maximum cross-boundary investment quota (“Aggregate Quota”) together with a daily quota (“Daily Quota”). Northbound trading and Southbound trading will be subject to a separate set of Aggregate Quota and Daily Quota. The Aggregate Quota caps the absolute amount of fund inflow into the PRC under Northbound trading and is currently set at RMB300 billion. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Stock Connect each day. The Northbound Daily Quota is set at RMB13 billion for each of SZSE and SSE respectively. The quotas do not belong to the Target Fund and are utilised on a first-come-first-serve basis. The SEHK will monitor the quota and publish the remaining balance of the Northbound Aggregate Quota and Daily Quota at scheduled times on the Hong Kong Exchanges and Clearing Limited (“HKEx”)’s website.

Trading day

Investors (including the Target Fund) will only be allowed to trade on the other market on days where both markets are open for trading, and banking services are available in both markets on the corresponding settlement days.

Settlement and custody

The HKSCC, a wholly owned subsidiary of HKEx, and ChinaClear will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by their respective market participants and investors. The China A Shares traded through the Stock Connect are issued in scriptless form, so investors will not hold any physical China A Shares. Hong Kong and overseas investors who have acquired A-Shares through Northbound trading should maintain the A-Shares with their brokers’ or custodians’ stock accounts with CCASS. While HKSCC is the “nominee holder”, it holds the securities on behalf of investors who are the beneficial owners of the relevant securities. Under the China Securities Regulatory Commission Stock Connect Rules, it is expressly provided that investors enjoy the rights and benefits of the SSE securities and SZSE securities acquired through Stock Connect in accordance with the relevant laws. Accordingly, investors rather than any broker, depository or intermediary through whom such investors hold the SSE securities and SZSE securities should be recognised under the laws and regulations of Mainland China as having beneficial ownership in the SSE securities and SZSE securities.

Currency

Hong Kong and overseas investors (including the Target Fund) trade and settle SSE securities and SZSE securities in RMB only.

➤ **CSDR Settlement Discipline Regime Risk**

The European Union has adopted a settlement discipline regime under Regulation (EU) No 909/2014 and the settlement discipline regulatory technical standards (Commission Delegated Regulation (EU) 2018/1229), as they may be modified from time to time (“CSDR”). The CSDR settlement discipline regime (the “CSDR SDR”) aims to both prevent and address the number of settlement fails that occur in Europe where in-scope instruments settle in an EEA central securities depository (“CSD”).

The CSDR's SDR will impact all firms, no matter where they are in the world, that trade in relevant securities that will ultimately settle at an EU domiciled CSD. The key elements of the SDR are: (i) mandatory buy-ins (“MBI”) – if a settlement fail continues for a specified period of time after the intended settlement date, a buy-in process must be initiated to effect the settlement; (ii) cash penalties – EEA CSDs are required to impose cash penalties on participants that cause settlement fails and distribute these to receiving participants; and (iii) allocations and confirmations – EEA investment firms are required to take measures to prevent settlement fails, including putting in place arrangements with their professional clients to communicate securities allocations and transaction confirmations.

The introduction of the MBI regime was, in effect, delayed from 1 February 2022 following a statement published by ESMA in December 2021 confirming that ESMA expected national competent authorities not to prioritise supervisory actions in relation to the application of the MBI regime from 1 February 2022. The other requirements of the CSDR SDR, principally the application of cash penalties and settlement fails reporting requirements, were unchanged by ESMA's statement, and those provisions have applied from 1 February 2022.

In March 2022, the EU Commission published a legislative proposal to amend CSDR, including proposals to amend the MBI regime. The most significant proposal for MBI is the introduction of a "two-step" approach pursuant to which MBIs would apply if the cash penalties regime alone does not improve settlement fails in the EU. The revised proposals are currently undergoing regulatory scrutiny. More recently in July 2022, MBI has now been in effect delayed for at least three years. Whilst the related Delegated Regulation progresses through the European law-making process the December 2021 ESMA statement continues to apply.

The CSDR SDR may result in the Target Fund bearing increased operational and compliance costs. CSDR may also affect liquidity and increase trading costs associated with relevant securities. If in-scope transactions are subject to additional expenses and penalties because of the CSDR SDR, the Investment Manager will, to the extent it is able, pass on such expenses and penalties howsoever described to the Target Fund.

➤ **Suspension Risk**

Investors are reminded that, in certain exceptional circumstances, their right to purchase and sell Shares may be suspended. Please refer to the section "*Suspension of Calculation of Net Asset Value of the Target Fund*" below.

➤ **Use of Umbrella Cash Subscription and Redemption Account Risk**

Subscription monies received in respect of the Target Fund in advance of the issue of Shares will be held in the Umbrella Cash Subscription and Redemption Account in the name of the Company and will be treated as an asset of the Target Fund. Investors of the Target Fund (including the Fund) will be unsecured creditors of the Target Fund with respect to the amount subscribed and held by the Company until Shares are issued on the Dealing Day. As such, investors of the Target Fund (including the Fund) will not benefit from any appreciation in the net asset value of the Target Fund or any other Shareholder rights (including dividend entitlement) until such time as Shares are issued on the relevant Dealing Day. In the event of an insolvency of the Target Fund or the Company, there is no guarantee that the Target Fund or Company will have sufficient funds to pay unsecured creditors in full.

The anti-money laundering verification process must be completed in respect of each prospective investor of the Target Fund (including the Fund) before that prospective investor is eligible to become a Shareholder, and payment of redemption proceeds and dividends in respect of the Target Fund is subject to receipt by the Administrator of subscription documents and compliance with all anti-money laundering procedures. Notwithstanding this, redeeming Shareholders will cease to be Shareholders, with regard to the redeemed Shares, and will be unsecured creditors of the Target Fund, from the relevant Dealing Day. Pending redemptions and distributions, including blocked redemptions or distributions, will, pending payment to the relevant Shareholder, be held in the Umbrella Cash Subscription and Redemption Account in the name of the Company. Redeeming Shareholders and Shareholders entitled to such distributions will be unsecured creditors of the Target Fund, and will not benefit from any appreciation in the net asset value of the Target Fund or any other Shareholder rights (including further dividend entitlement), with respect to the redemption or distribution amount held in the Umbrella Cash Subscription and Redemption Account. In the event of an insolvency of the Target Fund or the Company, there is no guarantee that the Target Fund or the Company will have sufficient funds to pay unsecured creditors in full. Notwithstanding that the anti-money laundering verification process must be completed in respect of each prospective investor of the Target Fund (including the Fund) before that prospective investor is eligible to become a Shareholder, if for any reason relevant documentation or information remains outstanding for a Shareholder then the relevant Shareholder, including any redeeming Shareholders and Shareholders entitled to distributions should ensure that any outstanding documentation and information is provided to the Administrator promptly. Failure to do so is at such Shareholder's own risk.

In the event of the insolvency of another fund of the Company (the Insolvent Fund), recovery of any amounts held in the Umbrella Cash Subscription and Redemption Account to which the Target Fund is entitled, but which may have transferred to the Insolvent Fund as a result of the operation of the Umbrella Cash Subscription and Redemption Account, will be subject to the principles of Irish insolvency law and the terms of the operational procedures for the Umbrella Cash Subscription and Redemption Account. There may be delays in effecting and / or disputes as to the recovery of such amounts, and the Insolvent Fund may have insufficient funds to repay amounts due to the Target Fund.

➤ **Unlisted Securities Risk**

Subject to the Regulations, the Target Fund may invest its assets in unlisted investments. Unlisted securities tend to be more volatile and have a higher risk profile than listed securities. There being no recognised market for unlisted securities, it may be difficult for the Target Fund to obtain reliable information about the value of any such security, or the extent of the risks to which it is exposed or to dispose of any such security quickly and/or on terms advantageous to the Target Fund.

The valuation of unlisted securities and difficult to value securities depends on subjective factors and can be difficult to establish with accuracy. The Administrator may be relying on valuations of unlisted or difficult to value securities provided by the Management Company and/or Investment Manager. This could lead to potential conflicts of interest on the part of the Management Company and/or the Investment Manager whose fees will, as will the return to investors, increase as the value of the Target Fund increases. However, the Management Company and/or the Investment Manager will endeavour to resolve such conflicts by valuing such unlisted or difficult to value securities based on their probable realisation value with prudence and good faith.

EQUITIES RISKS

➤ **American and Global Depositary Receipts Risk**

American and global depositary receipts are a representation of a stock, rather than an actual holding in a company and are subject to particular risks such as currency risks, political risk and inflation risk. For example, if the value of the USD rises against the value of the company's home currency, a good deal of the company's intrinsic profit might be wiped out in the transaction. American and global depositary receipt status does not insulate a company's stock from the inherent risk of its home country's political stability. Revolution, nationalisation, currency collapse or other potential disasters may be greater risk factors in other parts of the world than in the US, and those risks will be clearly translated through any American and global depositary receipt that originates in an affected nation. Countries around the globe may be more or less prone to inflation than the US economy is at any given time.

➤ **Convertible and Other Equity Related Securities Risk**

Convertible securities are subject to the risks affecting both equity and fixed income securities, including market, credit, liquidity, and interest rate risk. Convertible securities generally offer lower interest or dividend yields than non-convertible securities of similar quality and less potential for gains or capital appreciation in a rising stock market than equity securities. They tend to be more volatile than other fixed income securities, and the markets for convertible securities may be less liquid when compared to markets for common stocks or bonds. Many convertible securities have below investment grade credit ratings and are subject to increased credit and liquidity risks. Synthetic convertible securities and convertible structured notes may present a greater degree of market risk, and may be more volatile, less liquid and more difficult to price accurately than less complex securities. These factors may cause the Target Fund to perform poorly compared to other funds, including funds that invest exclusively in fixed income securities.

➤ **Equity Securities Risk**

Equity securities are those securities issued by a corporation or other entity that entitle the holder to a *pro rata* share of the profits of the corporation. Equity securities of an issuer in the Target Fund's portfolio may decline in price if the issuer fails to make anticipated dividend payments because, among other reasons, the issuer of the security experiences a decline in its financial condition.

In the event an issuer is liquidated or declares bankruptcy, the claims of owners of bonds, other debt holders, and owners of preferred stock take precedence over the claims of those who own common stock. Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. These investor perceptions are based on various and unpredictable factors including expectations regarding: government, economic, monetary and fiscal policies; inflation and interest rates; economic expansion or contraction; and global or regional political, economic and banking crises.

Equity investments are subject to greater fluctuations in market value than other asset classes as a result of such factors as a company's business performance, investor perceptions, stock market trends and general economic conditions. The Target Fund's net asset value may be correspondingly impacted.

FIXED INCOME RISKS

➤ Credit and Counterparty Risk

This is the risk that the issuer or guarantor of a fixed-income security, the counterparty to an OTC derivatives contract, a counterparty to a repurchase agreement, or a borrower of the Target Fund's securities will be unable or unwilling to make timely principal, interest, or settlement payments, or to otherwise honor its obligations. Credit risk associated with investments in fixed-income securities relates to the ability of the issuer to make scheduled payments of principal and interest on an obligation. The Target Fund, which may invest in fixed-income securities is subject to varying degrees of risk that the issuers of the securities will have their credit ratings downgraded or will default, potentially reducing the Target Fund's share price and income level. Nearly all fixed-income securities are subject to some credit risk, which may vary depending upon whether the issuers of the securities are corporations, US or non-US governments, or their subdivisions or instrumentalities. US government securities are subject to varying degrees of credit risk depending upon whether the securities are supported by the full faith and credit of the US; supported by the ability to borrow from the US Treasury; supported only by the credit of the issuing US government agency, instrumentality, or corporation; or otherwise supported by the US. For example, issuers of many types of US government securities (e.g. the Federal Home Loan Mortgage Corporation (Freddie Mac), Federal National Mortgage Association (Fannie Mae), and Federal Home Loan Banks), although chartered or sponsored by Congress, are not funded by congressional appropriations, and their fixed-income securities, including asset-backed and mortgage-backed securities, are neither guaranteed nor insured by the US government. An agency of the US government has placed Fannie Mae and Freddie Mac into conservatorship, a statutory process with the objective of returning the entities to normal business operations. It is unclear what effect this conservatorship will have on the securities issued or guaranteed by Fannie Mae or Freddie Mac. As a result, these securities are subject to more credit risk than US government securities that are supported by the full faith and credit of the US (e.g. US Treasury bonds). When a fixed-income security is not rated, the Investment Manager may have to assess the risk of the security itself. Asset-backed securities, whose principal and interest payments are supported by pools of other assets, such as credit card receivables and automobile loans, are subject to further risks, including the risk that the obligors of the underlying assets default on payment of those assets.

The Target Fund, which may invest in below-investment-grade securities, also called junk bonds (e.g. fixed-income securities rated Ba or lower by Moody's or BB or lower by S&P), at the time of investment, or determined by the Investment Manager to be of comparable quality to securities so rated, is subject to increased credit risk. The sovereign debt of many non-US governments, including their subdivisions and instrumentalities, falls into this category.

Below-investment-grade securities offer the potential for higher investment returns than higher-rated securities, but they carry greater credit risk: Their issuers' continuing ability to meet principal and interest payments is considered speculative, they are more susceptible to real or perceived adverse economic and competitive industry conditions, and they may be less liquid than higher-rated securities.

In addition, the Target Fund is exposed to credit risk to the extent that it makes use of OTC derivatives (such as forward currency contracts and/ or swap contracts) and engages to a significant extent in the lending of fund securities or the use of repurchase agreements. OTC derivatives transactions can be closed out with the other party to the transaction. If the counterparty defaults, the Target Fund will have contractual remedies, but there is no assurance that the counterparty will be able to meet its contractual obligations or that, in the event of default, the Target Fund will succeed in enforcing them. The Target Fund, therefore, assumes the risk that it may be unable to obtain payments owed to it under the relevant contract or that those payments may be delayed or made only after the Target Fund has incurred the costs of litigation. While the Investment Manager intends to monitor the creditworthiness of contract counterparties, there can be no assurance that the counterparty will be in a position to meet its obligations, especially during unusually adverse market conditions.

➤ Interest Rate Risk

The Target Fund may be subject to interest rate risk. Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, market value tends to decrease. This risk will be greater for long-term securities than for short-term securities. Unexpected changes in interest rates may adversely affect the value of the Target Fund's investments, particularly with respect to derivative instruments. FDIs used by the Target Fund may be particularly sensitive to changes in prevailing interest rates.

FDI AND EFFICIENT PORTFOLIO MANAGEMENT RISKS

➤ Collateral Management Risk

In seeking to reduce credit risk through the posting or receiving of collateral in OTC transactions, securities lending agreements and repurchase/reverse repurchase agreements, the management of the collateral posted/received will be subject to liquidity and counterparty risks associated with the relevant collateral instruments. Collateral is also subject to other types of risks as set out below:

Operational risks: including that the valuation of the underlying instrument for which it is posted is inaccurate due to inadequate or failed internal processes, people or systems which may cause the Target Fund to have an incorrect level of margin posted or received.

Legal risks: including risks associated with contracts and change of regulations in the relevant jurisdiction, etc. as well as the risk that collateral provided in cross-border transactions could result in conflicts of law preventing the Target Fund from recovering collateral lost or from enforcing its rights in relation to collateral received.

Custody risk: collateral received by the Target Fund on a title transfer basis will be safekept by the Depositary or by a third party depositary subject to prudential regulation and will be subject to custody risks associated with those entities. Collateral pledged by the Target Fund will continue to be safekept by the Depositary.

While commercially reasonable efforts are utilised to ensure that collateral management is effective, such risks cannot be eliminated.

➤ Collateral Risk

Collateral or margin may be passed by the Target Fund to a counterparty in respect of SFTs. Assets deposited as collateral or margin with a counterparty may not be held in segregated accounts by that counterparty and may therefore become available to the creditors of such counterparty in the event of their insolvency or bankruptcy. Where collateral is posted to a counterparty by way of title transfer, the collateral may be reused by such counterparty for their own purpose, thus exposing the Target Fund to additional risk. In addition, there is an operational risk associated with marking to market daily valuations and there are the potential stability risks of providers of collateral.

➤ Contracts relating to FDI

The Company, on behalf of the Target Fund, may enter into swaps and futures agreements with counterparties pursuant to which the Target Fund may be obligated to deliver collateral (consisting of a combination of cash and permitted securities) to support that Target Fund's mark-to-market net loss on existing transactions with (or other net payment obligations to) such counterparties. In each case, the collateral may be held in a manner that grants the counterparty an enforceable security interest in such collateral which, in the event of a default by the Target Fund, may be exercised by the counterparty and the debts satisfied out of the assets of the Target Fund. All activity in relation to the granting of collateral will be in accordance with the Regulations.

➤ Custody Risk

Assets subject to SFTs and any collateral received are safe-kept by the Depositary or, where applicable, the sub-custodian as appointed by the Depositary. This exposes the Target Fund to custody risk. This means that the Target Fund is exposed to the risk of loss of these assets as a result of insolvency, negligence or fraudulent trading by the Depositary and these third parties. The Target Fund is also exposed to the risk of loss of these assets as a result of fire and other natural disasters. Where the assets of the Target Fund as well as the assets provided to the Target Fund as collateral are held by the Depositary or third party depositaries and sub-custodians in emerging market jurisdictions, the Target Fund is exposed to greater custody risk due to the fact that emerging markets are by definition "in transformation" and are therefore exposed to the risk of swift political change and economic downturn. In recent years, many emerging market countries have undergone significant political, economic and social change. In many cases, political concerns have resulted in significant economic and social tensions and in some cases both political and economic instability has occurred. Political or economic instability may adversely affect the safe custody of the Target Fund's assets.

➤ **Efficient Portfolio Management Risk**

The Investment Manager on behalf of the Target Fund may employ techniques and instruments relating to transferable securities, money market instruments and/or other financial instruments in which they invest for efficient portfolio management purposes. Many of the risks attendant in utilising derivatives, as disclosed under the risk factor entitled “FDI Risk” below, will be equally relevant when employing such efficient portfolio management techniques. Investors should be aware that from time to time, Target Fund may engage with repurchase/reverse repurchase agreement counterparties and/or stocklending agents that are related parties to the Depositary or other service providers of the Company. Such engagement may on occasion cause a conflict of interest with the role of the Depositary or other service provider in respect of the Company. The identity of any such related parties will be specifically identified in the Company’s semi-annual and annual reports.

➤ **FDI Risk**

Liquidity: Where the Company acquires or values securities on OTC markets, there is no guarantee that the Company will be able to realise such securities at a premium due to the nature of the OTC market and the tendency to have limited liquidity and comparatively high price volatility.

Counterparty Risk: The Company may have credit exposure to counterparties by virtue of investment positions in options and spot and forward exchange rate and other contracts held by the Company. To the extent that a counterparty defaults on its obligation and the Company is delayed or prevented from exercising its rights with respect to the investment in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights.

Settlement Risk: The risk that the counterparty to the Company will fail to deliver the terms of a contract at the time of the settlement. Settlement risk can be risk associated with default at settlement and any timing differences in settlement between two parties.

Political Legal and Regulatory Risks: The value of the assets of the Company may be adversely affected by uncertainties, such as international political and economic developments, changes in market conditions, government policies or in legal, regulatory or taxation requirement or an unsuspected application of a law or regulation, or because contracts are not legally enforceable or documented correctly.

Basis Risk: The risk that derivatives do not always perfectly or even highly correlate or track the underlying notional asset that are designed to track. Consequently, the Investment Manager’s use of FDI techniques on behalf of the Company may not always be an effective means of, and sometimes could be counter-productive to, the Company’s investment objective.

Market Risk: The general risk that applies to all investments meaning that the value of a particular derivative may change in a way which may be detrimental to the Target Fund’s interests.

Correlation Risk: The risk that there may be an incomplete correlation between the hedge and the opposite position, which may result in increased or unanticipated losses.

➤ **Options Risk**

The Target Fund may purchase call or put options. In order for a call option to be profitable, the market price of the underlying security must rise sufficiently above the exercise price to cover the premium and transaction costs. These costs will reduce any profit that might have realised had it bought the underlying security at the time it purchased the call option. For a put option to be profitable, the market price of the underlying security must decline sufficiently below the exercise price to cover the premium and transaction costs. By using put options in this manner, the Target Fund will reduce any profit it might otherwise have realised from appreciation of the underlying security by the premium paid for the put option and by transaction costs. If the Target Fund sells a put option, there is a risk that the Target Fund may be required to buy the underlying asset at a disadvantageous price. If the Target Fund sells a call option, there is a risk that the Target Fund may be required to sell the underlying asset at a disadvantageous price. If the Target Fund sells a call option on an underlying asset that the Target Fund owns and the underlying asset has increased in value when the call option is exercised, the Target Fund will be required to sell the underlying asset at the call price and will not be able to realise any of the underlying asset’s value above the call price.

➤ **Repurchase/Reverse Repurchase Agreement Risk**

Repurchase and reverse repurchase agreements are subject to counterparty risk. In the case of a repurchase agreement, the counterparty may fail to repurchase its securities which may cause the Target Fund to suffer delays and incur costs in exercising its rights under the agreement. In addition, if the securities held by the Target Fund as collateral for the repurchase agreement go down in market value, this may cause a loss to the Target Fund.

In the case of a reverse repurchase agreement, the counterparty may fail to return the securities sold to the counterparty by the Target Fund which may cause the Target Fund to lose money if it is unable to recover the securities and the value of the collateral held (including if the value of the investments made with cash collateral is less than the value of the securities).

➤ **Securities Lending Risk**

Where Target Fund enters into securities lending arrangements for efficient portfolio management purposes there are risks in the exposure to market movements if recourse has to be had to collateral, or if there is fraud or negligence on the part of the Management Company, Depositary, Investment Manager or lending agent. In addition there is an operational risk associated with marking to market daily valuations and there are the potential stability risks of providers of collateral. The principal risk in such securities lending arrangements is the insolvency of the borrower. In the event of bankruptcy or other default of a borrower of portfolio securities, Target Fund could experience both delays in liquidating the loan collateral or recovering the loaned securities and losses including (a) possible decline in the value of the collateral or in the value of the securities loaned during the period which the Target Fund seeks to enforce its rights thereto, (b) possible sub-normal levels of income and lack of access to income during this period, and (c) expenses of enforcing its rights. In an effort to reduce these risks, the Investment Manager will monitor the creditworthiness of the firms to which the Target Fund lends securities. Although not a principal investment strategy, Target Fund may engage in securities lending to a significant extent.

➤ **Participatory Notes ("P-Notes") Risk**

P-Notes involve risks that are in addition to the risks normally associated with a direct investment in the underlying equity securities. The Target Fund is subject to the risk that the issuer of the P-Note (i.e., the issuing bank or broker-dealer), which is the only responsible party under the note, is unable or refuses to perform under the P-Note. While the holder of a P-Note is entitled to receive from the issuing bank or broker-dealer any dividends or other distributions paid on the underlying securities, the holder is not entitled to the same rights as an owner of the underlying securities, such as voting rights. P-Notes are also not traded on exchanges, are privately issued, and may be illiquid. To the extent a P-Note is determined to be illiquid, it would be subject to the Target Fund's limitation on investments in illiquid securities. There can be no assurance that the trading price or value of P-Note will equal the value of the underlying value of the equity securities they seek to replicate.

CURRENCY RISKS

➤ **Currency Risk**

Currency risk is the risk that fluctuations in exchange rates may adversely affect the value of the Target Fund's investments in its base currency. Currency risk includes both the risk that currencies in which the Target Fund's investments are traded, or currencies in which the Target Fund has taken an active investment position, will decline in value relative to the base currency and, in the case of hedging positions, that the base currency will decline in value relative to the currency being hedged. Currency rates may fluctuate significantly for a number of reasons, including the forces of supply and demand in the currency exchange markets, actual or perceived changes in interest rates, and intervention (or the failure to intervene) by US or non-US governments or central banks, or by currency controls or political developments in the United States or abroad. The Target Fund may engage in proxy hedging of currencies by entering into derivative transactions with respect to a currency whose value is expected to correlate to the value of a currency the Target Fund owns or wants to own. This presents the risk that the two currencies may not move in relation to one another as expected. In that case, the Target Fund could lose money on its investment and also lose money on the position designed to act as a proxy hedge. The Target Fund may also take active currency positions and may cross-hedge currency exposure represented by their securities into another non-US currency.

This may result in the Target Fund's currency exposure being substantially different than that suggested by its securities investments. Holdings in currencies other than the base currency and/or that invest or trade in securities denominated in currencies other than the base currency or related derivative instruments may be adversely affected by changes in holdings in currencies other than the base currency exchange rates. Derivative transactions in currencies other than the base currency (such as futures, forwards, and swaps) may also involve leveraging risk, in addition to currency risk. Leverage may disproportionately increase the Target Fund's portfolio losses and reduce opportunities for gain when interest rates, stock prices, or currency rates are changing.

➤ **Share Currency Designation Risk**

A class of Shares of the Target Fund may be designated in a currency other than the base currency of the Target Fund. Changes in the exchange rate between the base currency and such designated currency may lead to a depreciation of the value of such Shares as expressed in the designated currency. The investor of the Target Fund (including the Fund) bears the risk of any such depreciation.

TAXATION

➤ Common Reporting Standards Risk

Drawing extensively on the intergovernmental approach to implementing FATCA, the OECD developed the Common Reporting Standard (“CRS”) to address the issue of offshore tax evasion on a global basis. Aimed at maximising efficiency and reducing cost for financial institutions, the CRS provides a common standard for due diligence, reporting and exchange of financial account information. Pursuant to the CRS, participating jurisdictions will obtain from reporting financial institutions, and automatically exchange with tax authorities in other CRS participating jurisdictions in which the investors of the reporting financial institutions are tax resident on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence and reporting procedures. Ireland has implemented the CRS. As a result, the Company will be required to comply with the CRS due diligence and reporting requirements, as adopted by Ireland. Investors, including the Fund, may be required to provide additional information to the Company to enable the Company to satisfy its obligations under the CRS. Failure to provide requested information may subject investors, including the Fund to liability for any resulting penalties or other charges and/or mandatory termination of its interest in the Company.

➤ Tax Risk

The Target Fund may invest in securities that produce income or capital gains that are subject to withholding and other taxes in respect of income or gains derived from its investments in underlying investee countries. Shareholders and potential investors (including the Fund) are advised to consult their professional advisers concerning possible taxation or other consequences of subscribing, holding, selling, converting or otherwise disposing of shares in the Target Fund under the laws of jurisdictions in which they may be subject to taxes. Taxation law and practice and the levels and bases of and reliefs from taxation relating to the Target Fund and to its investors (including the Fund) may change from time to time. In addition, developing or emerging countries typically have less well defined tax laws and procedures and such laws may permit retroactive taxation so that the Target Fund could in the future become subject to local tax liabilities which it could not have reasonably anticipated in conducting its investment activities or valuing its interests. The Company may not be able to benefit from a reduction in the rate of such foreign tax by virtue of the double taxation treaties between Ireland and other countries. The Company may not, therefore, be able to reclaim any foreign withholding tax suffered by it in particular countries. If this position changes and the Company obtains a repayment of foreign tax, the net asset value of the Company will not be restated and the benefit will be allocated to the then-existing Shareholders rateably at the time of repayment. A summary of some of the Irish tax consequences applicable to the Target Fund is set out in Appendix I of the Prospectus. However, Shareholders and potential investors should note that the information contained in that section does not purport to deal with all of the tax consequences applicable to the Target Fund or all categories of investors, some of whom may be subject to special rules. None of the Company, the Investment Manager, or any of their respective affiliates takes any responsibility for providing tax or other advice to any investor (including the Fund).

➤ US Foreign Account Tax Compliance Act (“FATCA”)

Pursuant to FATCA, the Company (or the Target Fund) will be required to comply with extensive reporting and withholding requirements designed to inform the US Department of the Treasury of US-owned non-US investment accounts. Failure to comply (or be deemed compliant) with these requirements will subject the Company (or the Target Fund) to US withholding taxes on certain US source-sourced income. Pursuant to an intergovernmental agreement between the US and Ireland, the Company (or the Target Fund) may be deemed compliant, and therefore not subject to the withholding tax, if it identifies and reports US Reportable Account information directly to the Irish government. Shareholders (including the Fund) may be requested to provide additional information to the Company to enable the Company (or the Target Fund) to satisfy these obligations. Failure to provide requested information or (if applicable) satisfy its own FATCA obligations may subject a Shareholder to liability for any resulting US withholding taxes, US tax information reporting and/or mandatory redemption, transfer or other termination of the Shareholder’s interest in its shares. The Company may be unable to comply with its FATCA obligations if Shareholders do not provide the required certifications or information. In such circumstances, the Company could become subject to FATCA withholding tax in respect of its US source income if the US Internal Revenue Service specifically identified the Company as being a ‘non-participating financial institution’ for FATCA purposes. Any such FATCA withholding tax would negatively impact the financial performance of the Company and all Shareholders (including the Fund) may be adversely affected in such circumstances. Detailed guidance as to the mechanics and scope of this reporting and withholding regime is continuing to develop. There can be no assurance as to the timing or impact of any such guidance on future operations of the Company (and the Target Fund). The administrative cost of compliance with FATCA may cause the operating expenses of the Company (and the Target Fund) to increase, thereby reducing returns to investors (including the Fund). FATCA may also require the Company (or the Target Fund) to provide to the Irish government (for exchange with the US Internal Revenue Service) private and confidential information relating to certain investors.

➤ OECD BEPS

In 2013 the OECD published its report on Addressing Base Erosion and Profit Shifting (“BEPS”) and its Action Plan on BEPS. The aim of the report and Action Plan was to address and reduce aggressive international tax planning. The OECD then published its final reports, analyses and sets of recommendations (deliverables) with a view to implementing internationally agreed and binding rules which could result in material changes to relevant tax legislation of participating OECD countries. The final package of deliverables was subsequently approved by the G20 Finance Ministers. In order to implement the tax treaty-related BEPS recommendations in an efficient manner, the OECD introduced the multilateral instrument which amends the tax treaties of participating jurisdictions without the need to bilaterally negotiate each tax treaty. The multilateral instrument entered into force on 1 July 2018. The multilateral instrument will then enter into effect for a specific tax treaty at certain times after all parties to that treaty have ratified the multilateral instrument. The final actions to be implemented in the tax legislation of the countries in which the Company will have investments, in the countries where the Company is domiciled or resident, or changes in tax treaties negotiated by these countries, could adversely affect the returns from the Company. BEPS remains an ongoing project.

For further information on the Taxation of the Target Fund, please refer to Appendix I of the Prospectus.

The risks outlined above are key risks of the Target Fund and we recommend that this section be read in conjunction with the Target Fund Prospectus which is available at the business address of the Manager as stated in section “Documents Available for Inspection”. We take all reasonable efforts to ensure the accuracy of the disclosure in relation to the specific risks of the Target Fund, including obtaining the confirmation from the Investment Manager. However, in the event of any inconsistency or ambiguity in relation to the disclosure, including any word or phrase used in this section regarding the specific risks of the Target Fund as compared to the Target Fund Prospectus, the Target Fund Prospectus shall prevail.

RISK MANAGEMENT

In our day-to-day running of the business, we employ a proactive risk management approach to manage portfolio risks, operational risks and liquidity risks. The Board has established a board compliance and risk management committee to oversee AHAM’s risk management activities both at operational level and at portfolio management level to ensure that the risk management process is in place and functioning. The board compliance and risk management committee comprises of at least three (3) Board members and is chaired by an independent director. At the operational level, we have established a compliance and risk oversight committee with the primary function of identifying, evaluating and monitoring risks as well as to formulate internal control measures to manage and mitigate the exposure to risks that may affect the performance of the Fund, returns to the investors or Unit Holders’ interest within a clearly defined framework and is primarily responsible for ensuring that the policies and procedures that have been implemented are reviewed on an on-going basis with periodic assessments. The compliance and risk oversight committee and the board compliance and risk management committee deliberates on any non-compliances and risk management issues on a quarterly basis.

As the Fund will be investing a minimum of 85% of its NAV in the Target Fund, the risk management of the Fund will largely be held at the level of the Target Fund. Nevertheless, we will conduct a stringent screening process by conducting fundamental analysis of economic, political and social factors to evaluate their likely effects on the performance of the markets and sectors and any risks associated with it.

To manage non-compliance risks, we use, inter alia, an information technology system that is able to monitor the trading of investment to ensure compliance with the Fund’s investment limits and restrictions. We also undertake stringent evaluation of movements in market prices and regularly monitor, review and report to the person(s) or members of a committee undertaking the oversight function of the Fund to ensure that the Fund’s investment objective is met. Regular portfolio reviews by senior members of the investment team further reduce the risk of implementation inconsistencies and violations of the Guidelines.

We will also closely monitor the performance of the Target Fund by looking at the Target Fund’s standard deviation, tracking error and measures of excess return. We will also obtain regular updates from the Management Company and the data obtained will be reviewed on a quarterly basis, or as and when extreme market conditions or price movement in the Target Fund occur.

We also have in place a credit risk management process to reduce counterparty risk of derivatives whereby such risk arises when the counterparties are not able to meet their contractual obligations. Prior to entering into a contract with the counterparties, we will conduct an evaluation on the credit standing of the counterparties to ensure they are able to meet their contractual obligations. It is important to note that an event of downgrade does not constitute a default. If we are of the view that the counterparty may have high credit risk, we will not hesitate to take pre-emptive measures to unwind these positions. In the event of a downgrade in the rating of the issuer in the case of OTC options, the Manager may opt to sell-down or reduce its exposure into the options. Nevertheless, the Manager will carry out a credit analysis on issuer to determine its ability of financial obligations prior to making the Fund’s investment.

Liquidity Risk Management

We have established liquidity risk management policies to enable us to identify, monitor and manage the liquidity risk of the Fund in order to meet the repurchase requests from the Unit Holders with minimal impact to the Fund as well as safeguarding the interests of the remaining Unit Holders. Such policies take into account, amongst others, the asset class of the Fund and the redemption policy of the Fund.

To manage the liquidity risk, we have put in place the following procedures:

- a) The Fund may hold a maximum of 15% of its NAV in money market instruments and/or deposits. This will allow the Fund to have sufficient buffer to meet the Unit Holders' repurchase request;
- b) Regular review by the designated fund manager on the Fund's investment portfolio including its liquidity profile;
- c) Daily monitoring of the Fund's net flows and periodic liquidity stress testing of the Fund's assets against repurchase requests during normal and adverse market conditions are performed as pre-emptive measures in tracking the Fund's liquidity status. This will ensure that we are prepared and able to take the necessary action proactively to address any liquidity concerns, which would mitigate the potential risks in meeting Unit Holders' repurchase requests; and
- d) Suspension of repurchase requests from the Unit Holders under exceptional circumstances that occur at the Target Fund, where the market value or fair value of a material portion of the Target Fund's assets cannot be determined. Such exceptional circumstances involves the suspension of dealing by the Target Fund upon the occurrence of any events mentioned in section "*Suspension of Calculation of Net Asset Value of the Target Fund*" in this Prospectus. During the suspension period, the repurchase requests from the Unit Holders will be accepted but will not be processed. Such repurchase requests will only be processed on the next Business Day once the suspension is lifted. That said, the action to suspend repurchase requests from the Unit Holders shall be exercised only as a last resort by the Manager.

It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not possible to protect investments against all risks. You are recommended to read the whole Prospectus to assess the risks associated to the Fund. If necessary, you should consult your professional adviser(s) for a better understanding of the risks.

ABOUT AHAM WORLD SERIES - ASIA EX CHINA EQUITY FUND

Fund Category	: Feeder
Fund Type	: Growth
Base Currency	: USD
Financial Year End	: 30 September
Distribution Policy	: The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate.
Deed(s)	: Deed dated 22 July 2024.

INVESTMENT OBJECTIVE

The Fund seeks to provide capital appreciation over medium to long term period.

Any material change to the Fund's investment objective would require Unit Holders' approval.

INITIAL OFFER PRICE AND INITIAL OFFER PERIOD

USD Class	MYR Class	MYR Hedged-class	SGD Hedged-class	AUD Hedged-class	GBP Hedged-class	EUR Hedged-class	RMB Hedged-class
USD 0.50	MYR 0.50	MYR 0.50	N/A	N/A	N/A	N/A	N/A

- The initial offer period for USD Class, MYR Class and MYR Hedged-class shall be for a period of not more than twenty-one (21) calendar days from the Commencement Date. The initial offer period may be shortened if we determine that it is in your best interest.
- The initial offer period for SGD Hedged-class, AUD Hedged-class, GBP Hedged-class, EUR Hedged-class and RMB Hedged-class will be one (1) day which is on the launch date of the particular Class. The launch date will be disseminated through official communication channels and communiqués to the Unit Holders and a supplemental/replacement prospectus will be issued for the launch of that particular Class.

BENCHMARK

Not applicable.

Note: The benchmark assigned to the Target Fund is a customised benchmark and it is not available for external subscription. Hence, the Fund's performance will not be measured against any benchmark.

ASSET ALLOCATION

- A minimum of 85% of the Fund's NAV will be invested in the Target Fund; and
- A maximum of 15% of the Fund's NAV will be invested in money market instruments, deposits, and/or derivatives for hedging purposes.

INVESTMENT STRATEGY

The Fund will be investing a minimum of 85% of the Fund's NAV in the Target Fund and a maximum of 15% of the Fund's NAV in money market instruments, deposits and/or derivatives for hedging purposes.

While the Fund is highly invested in the Target Fund, we will ensure that the Fund has sufficient liquidity to meet the repurchase requests made by the Unit Holders. We may take temporary defensive positions that may be inconsistent with the Fund's principal strategy by reducing its investment in the Target Fund and raise liquidity levels of the Fund by investing in money market instruments and/or deposits during adverse market conditions to protect the Unit Holders' interest. As a result, we will be able to minimise the negative impact to the Fund's performance. However, the temporary defensive position will result with the Fund's performance not in line with the Target Fund's performance. When the temporary defensive position is no longer required, we will resume the Fund's asset allocation by investing at least 85% of the Fund's NAV in the Target Fund.

We may substitute the Target Fund with another fund that has a similar objective with the Fund, if, in our opinion, the Target Fund no longer meets the Fund's investment objective. However, this is subject to the Unit Holders' approval before any such changes are made.

Derivatives

Derivatives trades may be carried out for hedging purposes through financial instruments including, but not limited to, forward contracts, futures contracts and swaps. Futures and forward contracts are generally contracts between two (2) parties to trade an asset at an agreed price on a pre-determined future date whereas swaps is an agreement to swap or exchange two (2) financial instruments between two (2) parties.

The intention of hedging is to preserve the value of the asset from any adverse price movements. While the hedging transactions will assist with mitigating the potential foreign exchange losses by the Fund, any potential foreign exchange gains from the hedging strategy will be capped as well.

The Fund adopts commitment approach to measure the Fund's global exposure to derivatives. The commitment approach is a methodology that aggregates the underlying market values or notional values of derivatives after taking into account the possible effects of netting and/or hedging arrangements. The Fund's global exposure from the derivatives position must not exceed 100% of NAV of the Fund at all times.

Cross Trades Policy

AHAM may conduct cross trades between funds which it is currently managing provided that all criteria imposed by the regulators are met. Notwithstanding the above, cross trades between the personal account of an employee of AHAM and the Fund's account(s) and between AHAM's proprietary trading accounts and the Fund's account(s) are strictly prohibited. Compliance with the criteria would be monitored by AHAM's compliance unit, and reported to AHAM's compliance & risk management committee, to avoid conflict of interests and manipulation that could have a negative impact on investors.

PERMITTED INVESTMENTS

- CIS;
- Money market instruments;
- Deposits; and
- Derivatives.

INVESTMENT RESTRICTIONS AND LIMITS

- The Fund's assets must be relevant and consistent with the investment objective of the Fund.
- The Fund must invest at least 85% of its NAV in units or shares of a single CIS.
- The Fund may invest up to 15% of its NAV in:
 - i. money market instruments that are dealt in or under the rules of an eligible market with residual maturity not exceeding 12 months;
 - ii. short-term deposits; and
 - iii. derivatives for hedging purpose.
- The Fund must not invest in:
 - i. a fund-of-funds;
 - ii. a feeder fund; and
 - iii. any sub-fund of an umbrella scheme which is a fund-of-funds or a feeder fund.
- The value of the Fund's investments in money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV ("Single Issuer Limit")¹.
- The value of the Fund's placement in deposits with any single Financial Institution must not exceed 15% of the Fund's NAV ("Single Financial Institution Limit")².

- The aggregate value of the Fund's investments in, or exposure to, a single issuer through money market instruments, deposits, underlying assets of derivatives and counterparty exposure arising from the use of OTC derivatives, must not exceed 15%³ of the Fund's NAV ("Single Issuer Aggregate Limit")⁴.
- The value of the Fund's investments in money market instruments issued by any group of companies must not exceed 15% of the Fund's NAV ("Group Limit")⁵.
- The Single Financial Institution Limit above does not apply to placements of deposits arising from:
 - i. subscription monies received prior to the commencement of investment by the Fund;
 - ii. liquidation of investments prior to the termination of the Fund, where the placement of deposits with various Financial Institutions would not be in the best interests of Unit Holders; or
 - iii. monies held for the settlement of redemption or other payment obligations, where the placement of deposits with various Financial Institutions would not be in the best interest of Unit Holders.
- The Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issuer. This limit does not apply to money market instruments that do not have a pre-determined issue size.
- The Fund's global exposure from its derivatives position should not exceed its NAV at all times.
- For investments in derivatives, the exposure to the underlying assets of the derivative must not exceed the investment restrictions or limitations applicable to such underlying assets and investments stipulated in the Guidelines.
- For investments in OTC derivatives, the maximum exposure of the Fund to the counterparty, calculated based on the method prescribed in the Guidelines, must not exceed 10% of the Fund's NAV.

Temporary Defensive Positions:

In the event of temporary defensive positions, certain investment restrictions and limits will be adjusted or applied. During such periods, the following limits will apply:

- ¹ The Single Issuer Limit above may be raised to 35% of the Fund's NAV if the issuing entity is, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency.
- ² The Single Financial Institution Limit must not exceed 20% of the Fund's NAV.
- ³ The Single Issuer Aggregate Limit must not exceed 25% of the Fund's NAV.
- ⁴ Where the Single Issuer Limit is increased to 35% of the Fund's NAV, the Single Issuer Aggregate Limit above may be raised, subject to the above Group Limit not exceeding 35% of the Fund's NAV.
- ⁵ The Group Limit must not exceed 20% of the Fund's NAV.

In respect of the above investment restrictions and limits, any breach as a result of any (a) appreciation or depreciation in value of the Fund's investments; (b) repurchase of Units or payment made out of the Fund; or (c) downgrade in or cessation of a credit rating, must be rectified as soon as practicable within three months from the date of the breach unless otherwise specified in the Guidelines. Nevertheless, the three-month period may be extended if it is in the best interests of Unit Holders and the Trustee's consent has been obtained. Such extension must be subject to at least a monthly review by the Trustee.

VALUATION OF THE FUND

We will ensure that the valuation of the Fund is carried out in a fair manner in accordance with the relevant laws and Guidelines. We will obtain the daily price or value of the assets for the purpose of valuing the Fund in accordance with the Malaysian Financial Reporting Standard 9 issued by the Malaysian Accounting Standards Board. In the absence of daily price or value of the assets, we will use the latest available price or value of the assets respectively.

The valuation bases for the permitted investments of the Fund are as follows:

➤ **CIS**

Valuation of investments in unlisted CIS will be valued based on the last published repurchase price.

➤ **Money Market Instruments**

Valuation of MYR denominated money market instruments will be done using the price quoted by a bond pricing agency ("BPA") registered with the SC. For non-MYR denominated money market instruments, valuation will be done using the average of quotations provided by reputable Financial Institutions. Where the Manager is of the view that the price quoted by BPA differs from the fair value or where reliable market quotations are not available, the fair value will be determined in good faith by the Manager using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee. This may be determined by reference to the valuation of other money market instruments which are comparable in rating, yield, expected maturity date and/or other characteristics.

➤ **Deposits**

Valuation of deposits placed with Financial Institutions will be done by reference to the principal value of the deposits and the interests accrued thereon for the relevant period.

➤ **Derivatives**

Valuation of derivatives will be based on the prices provided by the respective issuers. The issuers generate the market valuation through the use of their own proprietary valuation models, which incorporate all the relevant and available market data with respect to the derivatives (e.g. interest rates, movement of the underlying assets, volatility of the underlying assets, the correlation of the underlying assets and such other factors). For foreign exchange forward contracts ("FX Forwards"), interpolation formula is applied to compute the value of the FX Forwards based on the rates provided by Bloomberg or Refinitiv. If the rates are not available on Bloomberg or Refinitiv, the FX Forwards will be valued based on fair value determined in good faith by the Manager, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

VALUATION POINT FOR THE FUND

The Fund will be valued at 6.00 p.m. on every Business Day (or "trading day" or "T" day"). However, if the Fund has exposure to investments outside of Malaysia, the Fund shall be valued at 11.00 a.m. on the next Business Day (or "T + 1 day"). All foreign assets are translated into the Base Currency based on the bid exchange rate quoted by Bloomberg or Refinitiv at 4.00 p.m. (United Kingdom time) which is equivalent to 11.00 p.m. or 12.00 midnight (Malaysian time) on the same day, or at such time as stipulated in the investment management standards issued by the FiMM.

FINANCING AND SECURITIES LENDING

The Fund is not permitted to borrow or lend cash or other assets in connection with its activities. However, the Fund may borrow cash for the purpose of meeting repurchase requests for Units and for bridging requirements. Such borrowings are subjected to the following:-

- the Fund's borrowing is only on a temporary basis and that borrowings are not persistent;
- the borrowing period should not exceed one (1) month;
- the aggregate borrowings of the Fund should not exceed 10% of the Fund's NAV at the time the borrowing is incurred; and
- the Fund only borrows from Financial Institutions.

The Fund does not assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.

The Fund may create new Classes without having to seek Unit Holders' prior approval. You will be notified of the issuance of the new Classes by way of a communiqué and the prospective investors will be notified of the same by way of a supplemental/replacement prospectus.

DEALING INFORMATION

You must read and understand the content of this Prospectus (and any supplemental prospectus) and the PHS before investing.

If you intend to invest in a Class other than MYR Class and MYR Hedged-class, you must have a foreign currency account with any Financial Institutions as all transactions relating to any foreign currency will ONLY be made via telegraphic transfers.

! You are advised not to make payment in cash to any individual agent when purchasing Units of the Fund.

PURCHASE AND REPURCHASE OF UNITS

WHO IS ELIGIBLE TO INVEST?

- An individual who is at least eighteen (18) years of age. In the case of joint application, the jointholder whose name appears first in the register of Unit Holders must be at least eighteen (18) years of age.
- A corporation such as registered businesses, co-operative, foundations and trusts.
- Please note that if you are a US Person, you are not eligible to subscribe to the Units of the Fund. If we become aware that you are a US Person who holds Units of the Fund, we will issue a notice requiring you to:-
 - redeem your Units; or
 - transfer your Units to a non-US Person, within thirty (30) days from the date of the said notice.

HOW TO PURCHASE UNITS?

- You may submit the purchase request by completing an application form and returning it to us between 8.45 a.m. to 3.30 p.m. on a Business Day.
- You are required to provide us with the following completed forms and documents. However, we reserve the right to request for additional documentations before we process the purchase application.

Individual or Jointholder	Corporation
• Account opening form; • Suitability assessment form; • Personal data protection notice form; • Client acknowledgement form; • A copy of identity card or passport or any other document of identification; and • Foreign Account Tax Compliance Act ("FATCA") and Common Reporting Standard ("CRS") Self-certification Form.	• Account opening form; • Suitability assessment form; • Personal data protection notice form; • Certified true copy of memorandum and articles of association*; • Certified true copy of certificate of incorporation*; • Certified true copy of form 24 and form 49*; • Certified true copy of form 8, 9, 13, 20 and 44 (where applicable)*; • Latest audited financial statement; • Board resolution relating to the investment; • A list of the authorised signatories; • Specimen signatures of the respective signatories; • Declaration of Beneficial Ownership; and • Foreign Account Tax Compliance Act ("FATCA") and Common Reporting Standard ("CRS") Self-certification Form. <i>* or any other equivalent documentation issued by the authorities.</i>

HOW TO MAKE PAYMENT FOR PURCHASE APPLICATION?

- You may transfer the purchase payment into our bank account via telegraphic transfer or online transfer, and include your name in the transaction description for our reference. Payment must be made in the currency of the Class which you intend to invest into. You may obtain our bank account details from our online download center at www.aham.com.my.
- Bank charges or other bank fees, if any, will be borne by you.

WHAT IS THE PROCESS OF THE PURCHASE APPLICATION?

- If we receive your purchase application at or before 3.30 p.m. on a Business Day (or “T day”), we will create your Units based on the initial offer price of a Class during the initial offer period and thereafter, NAV per Unit of a Class for that Business Day.
- Any purchase request received or deemed to have been received by us after 3.30 p.m. will be transacted on the next Business Day (or “T + 1 day”), unless a prior arrangement is made to our satisfaction.
- Sale of Units will be honoured upon receipt of a complete set of documents together with the proof of payments.

WHAT ARE THE MINIMUM INITIAL INVESTMENT, MINIMUM ADDITIONAL INVESTMENT, MINIMUM UNITS FOR REPURCHASE AND MINIMUM HOLDING OF UNITS?

	USD Class	MYR Class	MYR Hedged-class	SGD Hedged-class	AUD Hedged-class	GBP Hedged-class	EUR Hedged-class	RMB Hedged-class
Minimum Initial Investment*	USD 1,000	MYR 1,000	MYR 1,000	SGD 1,000	AUD 1,000	GBP 1,000	EUR 1,000	RMB 1,000
Minimum Additional Investment*	USD 100	MYR 100	MYR 100	SGD 100	AUD 100	GBP 100	EUR 100	RMB 100
Minimum Units for Repurchase*	2,000 Units	2,000 Units	2,000 Units	2,000 Units	2,000 Units	2,000 Units	2,000 Units	2,000 Units
Minimum Holding of Units*	2,000 Units	2,000 Units	2,000 Units	2,000 Units	2,000 Units	2,000 Units	2,000 Units	2,000 Units

* At our discretion, we may reduce the transaction value and Units, including for transactions made via digital channels, subject to the terms and conditions disclosed in the respective channels.

WHAT IS THE DIFFERENCE BETWEEN PURCHASING USD CLASS AND OTHER CLASSES?

- You should note that there are differences when purchasing Units of the USD Class and other Classes. For illustration purposes, assuming you have USD 10,000 to invest:

	USD Class	MYR Class	MYR Hedged-class	SGD Hedged-class	AUD Hedged-class	GBP Hedged-class	EUR Hedged-class	RMB Hedged-class
NAV per Unit	USD 0.50	MYR 0.50	MYR 0.50	SGD 0.50	AUD 0.50	GBP 0.50	EUR 0.50	RMB 0.50
Currency exchange rate	USD 1.00 = USD 1.00	USD 1.00 = MYR 4.00	USD 1.00 = MYR 4.00	USD 1.00 = SGD 3.00	USD 1.00 = AUD 3.00	USD 1.00 = GBP 0.75	USD 1.00 = EUR 0.95	USD 1.00 = RMB 6
Invested amount *	USD 10,000 x USD 1.00 = USD 10,000	USD 10,000 x RM 4.00 = MYR 40,000	USD 10,000 x RM 4.00 = MYR 40,000	USD 10,000 x SGD 3.00 = SGD 30,000	USD 10,000 x AUD 3.00 = AUD 30,000	USD 10,000 x GBP 0.75 = GBP 7,500	USD 10,000 x EUR 0.95 = EUR 9,500	USD 10,000 x RMB 6 = RMB 60,000
Units received **	USD 10,000 ÷ USD 0.50 = 20,000 Units	MYR 40,000 ÷ MYR 0.50 = 80,000 Units	MYR 40,000 ÷ MYR 0.50 = 80,000 Units	SGD 30,000 ÷ SGD 0.50 = 60,000 Units	AUD 30,000 ÷ AUD 0.50 = 60,000 Units	GBP 7,500 ÷ GBP 0.50 = 15,000 Units	EUR 9,500 ÷ EUR 0.50 = 19,000 Units	RMB 60,000 ÷ RMB 0.50 = 120,000 Units

Notes:

* Invested amount = USD 10,000 x currency exchange rate of the Class

** Units received = Invested amount ÷ NAV per Unit of the Class

By purchasing Units of the USD Class you will receive less Units for every USD invested in the Fund (i.e. 20,000 Units), compared to purchasing Units in MYR Hedged-class (i.e. 80,000 Units), SGD Hedged-class (i.e. 60,000 Units) and AUD Hedged-class (i.e. 60,000 Units). Although there is a difference in the number of Units, such Classes would have the same voting rights as the investment value of each Class, converted to the Base Currency, is the same.

Higher investment value in the Base Currency (regardless of unit holdings) may give you an advantage when voting at Unit Holders' meetings as you have more voting rights due to the larger investment value in the Base Currency owned (except in situations where a show of hands is required to pass a resolution). However, you should also note that in a Unit Holders' meeting to terminate the Fund, a Special Resolution may only be passed by a majority in number representing at least $\frac{3}{4}$ of the value of the Units held by Unit Holders voting at the meeting, and not based on the number of Units owned.

HOW TO REPURCHASE UNITS?

- It is important to note that, you must meet the above minimum holding of Units after a repurchase transaction.
If you insist on making a repurchase request knowing that after the transaction you will hold less than the minimum holdings of Units, we may withdraw all your holding of Units and pay the proceeds to you.
- You may submit the repurchase request by completing a transaction form and returning it to us between 8.45 a.m. to 3.30 p.m. on a Business Day.
- Payment of the repurchase proceeds will be made via bank transfer where proceeds will be transferred to your bank account. Where Units are held jointly, payment will be made to the person whose name appears first in the register of Unit Holders.
- Bank charges or other bank fees, if any, will be borne by us.

WHAT IS THE PROCESS OF REPURCHASE APPLICATION?

- For a repurchase request received or deemed to have been received by us at or before 3.30 p.m. on a Business Day (or “T day”), Units will be repurchased based on the initial offer price of a Class during the initial offer period and thereafter, NAV per Unit of a Class for that Business Day.
- Any repurchase request received after 3.30 p.m. will be transacted on the next Business Day (or “T + 1 day”).
- Processing is subject to receipt of a complete transaction form and such other documents as may be required by us.

WHAT IS THE REPURCHASE PROCEEDS PAYOUT PERIOD?

- You will be paid within nine (9) Business Days* or within eleven (11) Business Days** from the day the repurchase request is received by us, provided that all documentations are completed and verifiable.
- Where there is a suspension of dealing in Units by the Fund, due to exceptional circumstances as disclosed in the section “*Suspension of Dealing in Units*” in this Prospectus (which resulted from the suspension of dealing by the Target Fund as disclosed in the section “*Suspension of Calculation of Net Asset Value of The Target Fund*” in this Prospectus) the repurchase requests from the Unit Holders will be accepted but will not be processed. This will result in the delay of processing the repurchase requests and such repurchase requests will only be processed on the next Business Day once the suspension is lifted. In this regard, you will be paid within nine (9) Business Days* (under normal circumstances) or eleven (11) Business Days** (under unforeseen circumstances) on the next Business Day once the suspension of dealing in Units is lifted. However, for repurchase request that has been accepted prior to the suspension, AHAM will process the repurchase request and make the repurchase payment to Unit Holder within nine (9)* or eleven (11)** Business Days from the day that the repurchase request is received by us.

Notes:

** Under normal circumstances, we will require one (1) Business Day to submit the repurchase request to the Target Fund and the Target Fund will require three (3) Business Days to make repurchase proceeds to the Fund. Upon receiving the repurchase proceeds from the Target Fund, we will pay the repurchase proceeds to you within five (5) Business Days.*

***However, should there be any unforeseen circumstances (such as operational, settlement, network or system disruptions between the clearing houses, banks, Trustee, Administrator(if any), custodian and/or Management Company), the Manager may require up to two (2) additional Business Days to receive the repurchase proceeds from the Target Fund.*

- You will be notified by way of a communiqué should there be any deferment from the nine (9) Business Days payout period.

WHERE TO PURCHASE AND REPURCHASE UNITS?

- Units can be purchased and repurchased at any of the location listed in the “Directory of Sales Offices” section in this Prospectus or with our authorised distributors.
- You may obtain a copy of this Prospectus, the PHS and application forms from the abovementioned locations. Alternatively, you may also visit our website at www.aham.com.my.

WHO SHOULD I CONTACT IF I HAVE QUESTION OR NEED ADDITIONAL INFORMATION?

- You can seek assistance from our customer service personnel at our toll-free number 1-800-88-7080 between 8.45 a.m. to 5.30 p.m. on a Business Day. Alternatively, you can email us at customer@aham.com.my.

COOLING-OFF PERIOD

You have the right to apply for and receive a refund for every Unit that you have paid for within six (6) Business Days from the date we received your purchase application.

You will be refunded for every Unit held based on the prices mentioned below and the Sales Charge of the particular Class, imposed on the day those Units were first purchased.

- If the price of a Unit on the day the Units were first purchased (“original price”) is higher than the price of a Unit at the point of exercise of the cooling-off right (“market price”), you will be refunded based on the market price at the point of cooling-off; or
- If the market price is higher than the original price, you will be refunded based on the original price at the point of cooling-off.

You will be refunded within seven (7) Business Days from the receipt of the cooling-off application.

Please note that the cooling-off right is applicable to you if you are an individual investor and are investing in any of our funds for the first time. However, if you are a staff of AHAM or a person registered with a body approved by the SC to deal in unit trust funds, you are not entitled to this right.

We will process your cooling-off request if your cooling-off request is received or deemed to have been received by us at or before 3.30 p.m. on a Business Day (or “T day”). Any cooling-off request received after 3.30 p.m. will be transacted on the next Business Day (or “T + 1 day”).

Processing is subject to receipt of a complete transaction form and such other documents as may be required by us.

SWITCHING FACILITY

Switching facility enables you to switch:

- between Classes; or
- into any of our funds (or its classes), provided that the fund (or its class) is denominated in the same currency as the Class that you intend to switch out, and it is subject to the terms and conditions applicable for the respective funds.

However, you must meet the minimum holding of Units requirements of the Class that you switched out from and the minimum investment amount of the fund (or its class) that you intend to switch into. In addition, you must observe the minimum Units per switch as follows:

USD Class	MYR Class	MYR Hedged-class	SGD Hedged-class	AUD Hedged-class	GBP Hedged-class	EUR Hedged-class	RMB Hedged-class
2,000 Units	2,000 Units	2,000 Units	2,000 Units	2,000 Units	2,000 Units	2,000 Units	2,000 Units

At our discretion, we may reduce the transaction of Units, including for transactions made via digital channels, subject to the terms and conditions disclosed in the respective channels.

You are also to note that we reserve the right to reject any switching requests that are regarded as disruptive to efficient portfolio management, or request that we deem to be contrary to the best interests of the Fund and/or the existing Unit Holders of a particular Class.

The process of the switching application is as below:

➤ **Switching between Classes of the Fund**

You must complete a switching transaction form and submit it to us together with relevant supporting documents, if any. If we receive your switching request at or before the cut-off time of 3.30 p.m. on a Business Day, we will process it using the NAV per Unit of a Class for that Business Day (or “T day”). If we receive your switching request after 3.30 p.m., we will process it using the NAV per Unit of a Class calculated at the end of the next Business Day (or “T + 1 day”).

➤ **Switching from the Classes of this Fund into other funds (or its class) managed by AHAM**

You must complete a switching transaction form and submit it to us at or before the cut-off time of 3.30 p.m. on a Business Day (or “T day”) together with relevant supporting documents, if any. If we receive your switching request after 3.30 p.m., we will process your request on the next Business Day (or “T + 1 day”).

You should note that the pricing day of a fund (or its class) may not be on the same day as when we receive your switching application. Please see below the pricing policy of switching for all our funds:

Switching Out Fund	Switching In Fund	Pricing Day	
		Switching Out Fund	Switching In Fund
Money market fund	Non-money market fund	T Day	T Day
Non-money market fund	Non-money market fund		
Money market fund	Money market fund	T Day	T + 1 Day
Non-money market fund	Money market fund	T Day	At the next valuation point, subject to clearance of payment and money received by the intended fund

TRANSFER FACILITY

You are allowed to transfer your Units, whether fully or partially, to another person by completing the transfer transaction form and returning it to us on a Business Day. The transfer must be made in terms of Units and not in terms of the monetary value in the currency denomination of the Classes. There is no minimum number of Units required to effect a transfer except that the transferor and transferee must hold the minimum holding of Units to remain as a Unit Holder.

It is important to note that we are at liberty to disregard or refuse to process the transfer application if the processing of such instruction will be in contravention of any law or regulatory requirements, whether or not having the force of law and/or would expose us to any liability.

SUSPENSION OF DEALING IN UNITS

The Manager may, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the dealing in Units* due to exceptional circumstances that occur at the Target Fund level, where the market value or fair value of a material portion of the Target Fund’s assets cannot be determined. Such exceptional circumstances involves the suspension of dealing by the Target Fund upon the occurrence of any events mentioned in the section *“Suspension of Calculation of Net Asset Value of the Target Fund”* in this Prospectus. The Manager will cease the suspension as soon as practicable after the exceptional circumstances have ceased, and in any event, within twenty-one (21) days from the commencement of suspension.

The period of suspension may be extended if the Manager satisfies the Trustee that it is in the best interest of the Unit Holders for the dealing in Units to remain suspended, subject to a weekly review by the Trustee.

The Trustee may suspend the dealings in Units, if the Trustee, on its own accord, considers that exceptional circumstances have been triggered. In such a case, the Trustee shall immediately call for a Unit Holders’ meeting to decide on the next course of action.

* The action to impose suspension shall only be exercised as a last resort by the Manager, as disclosed in the section on “Liquidity Risk Management”.

DISTRIBUTION POLICY

The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate.

Income distribution, if any, will be paid out in the currencies in which the Classes are denominated. You may elect the mode of distribution in cash payment or additional Units by way of reinvestment by ticking the appropriate column in the application form. You may also inform us at any time before the income distribution date of your wish of receiving cash payment or additional Units via reinvestment. All distribution will be automatically reinvested into additional Units in the Fund if you do not elect the mode of distribution in the application form.

Any distribution payable which is less than or equal to the amount of 300.00 denominated in the currency denomination of the Classes, will be automatically reinvested on your behalf.

Cash Payment Process

Income distribution by way of cash payment will be paid via telegraphic transfer. Income will be transferred to your bank account within seven (7) Business Days after the distribution date.

To enable the cash payment process, Unit Holders investing in Classes other than MYR Class and MYR Hedged-class are required to have a foreign currency account with any Financial Institution denominated in the respective currency Classes.

Reinvestment Process

We will create Units based on the NAV per Unit of the Class at the income payment date which is within two (2) Business Days after the distribution date. There will not be any cost for reinvestments of those additional Units, i.e., no Sales Charge will be imposed on such reinvestment.

Unit prices and distributions payable, if any, may go down as well as up.

UNCLAIMED MONEYS

Any monies payable to you which remain unclaimed after two (2) years from the date of payment or such other period as may be prescribed by the Unclaimed Moneys Act 1965 will be paid to the Registrar of Unclaimed Monies in accordance with the requirements of the Unclaimed Moneys Act 1965.

FEES, CHARGES AND EXPENSES

! There are fees and charges involved and investors are advised to consider them before investing in the Fund.

You should be aware that all fees, charges and expenses referred to or quoted in this Prospectus (including any supplemental prospectus) and the Deed (including any supplemental deed) are referred to or quoted as being exclusive of any other applicable taxes. We (including the Trustee and other service providers) will charge any other applicable taxes on the fees, charges and expenses in accordance with any other relevant or applicable laws.

CHARGES

The following are the charges that you may **directly** incur when you buy or redeem Units of the Fund.

SALES CHARGE

Up to 5.50% of the initial offer price of a Class during the initial offer period, thereafter, on the NAV per Unit of a Class.

Note: All Sales Charge will be rounded up to two (2) decimal places.

REPURCHASE CHARGE

Nil.

TRANSFER FEE

Nil.

SWITCHING FEE

The Manager does not impose any switching fee. However, if the amount of sales charge of the fund (or class) that the Unit Holder intends to switch into is higher than the sales charge imposed by the fund (or class) being switched from, then the difference in the sales charge between the two (2) funds (or classes) shall be borne by the Unit Holder.

FEES AND EXPENSES

With the issuance of multiple Classes in this Fund, the fees and expenses for the Fund are apportioned based on the size of the Class relative to the whole Fund, which is also known as multi-class ratio. This apportionment is expressed as a ratio and calculated as a percentage.

As an illustration, assuming there is an indirect fee chargeable to the Fund of USD 100 and assuming further the size of the USD Class over the size of the Fund is 60% whereas the size of the MYR Hedged-class over the size of the Fund is 40%, the ratio of the apportionment based on the percentage will be 60:40, 60% being borne by the USD Class and 40% being borne by the MYR Hedged-class.

We may (in our sole and absolute discretion), waive or reduce the amount of any fees (except the trustee fee) and expenses of the Fund, either for all the investors or a particular investor.

The following are the fees that you may **indirectly** incur when you invest in the Fund.

ANNUAL MANAGEMENT FEE

The annual management fee is up to 1.80%* per annum of the NAV of the Fund (before deducting the management fee and trustee fee) and is calculated using the Base Currency. The management fee is calculated and accrued daily and payable monthly to the Manager.

Please note that the example below is for illustration only:

Assuming that the NAV of the Fund is USD 200 million for that day, the accrued management fee for that day would be:

$$\frac{\text{USD } 200,000,000 \times 1.80\%}{365 \text{ days}} = \text{USD } 9,863.01 \text{ per day}$$

The management fee is apportioned to each Class based on the multi-class ratio.

** The specific management fee charged to the Fund is disclosed at the "Fee & Charges" section of the Fund on our website at www.aham.com.my. Please refer to our website for the up-to-date information.*

ANNUAL TRUSTEE FEE

The annual trustee fee is up to 0.06%* per annum of the NAV of the Fund (excluding foreign custodian fees and charges) (before deducting the management fee and trustee fee) and is calculated using the Base Currency. The trustee fee is accrued daily and payable monthly to the Trustee. In addition to the annual trustee fee, the Trustee may be reimbursed by the Fund for any expenses properly incurred by it in the performance of its duties and responsibilities.

Please note that the example below is for illustration only:

Assuming that the NAV of the Fund is USD 200 million for that day, the accrued trustee fee for that day would be:

$$\frac{\text{USD } 200,000,000 \times 0.06\%}{365 \text{ days}} = \text{USD } 328.77 \text{ per day}$$

The trustee fee is apportioned to each Class based on the multi-class ratio.

** The specific trustee fee charged to the Fund is disclosed at the "Fee & Charges" section of the Fund on our website at www.aham.com.my. Please refer to our website for the up-to-date information.*

ADMINISTRATIVE FEES

Only the expenses (or part thereof) which are directly related and necessary to the operation and administration of the Fund or each Class may be charged to the Fund or each Class respectively. These would include (but are not limited to) the following:

- commissions or fees paid to brokers/dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- taxes and other duties charged on the Fund by the government and/or other authorities;
- costs, fees and expenses properly incurred by the auditor appointed for the Fund;
- costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;
- costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund;
- costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;

- costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund;
- costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- costs, fees and expenses incurred in the termination of the Fund or a Class or the removal or retirement of the Trustee or the Manager and the appointment of a new trustee or management company;
- costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund or commenced by either of them for the benefit of the Fund or a Class (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund);
- costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority;
- costs and expenses incurred in relation to the distribution of income (if any);
- (where the custodial function is delegated by the Trustee) charges and fees paid to the sub-custodians for taking into custody any foreign assets of the Fund;
- fees, charges, costs and expenses relating to the preparation, printing, posting, registration and/or lodgement of documents and reports which the Manager and/or the Trustee may be obliged to prepare, print, post, register and/or lodge in relation to the Fund by virtue of any relevant law;
- costs, fees and expenses incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent;
- any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred as mentioned above; and
- other fees and expenses related to the Fund allowed under the Deed.

Expenses related to the issuance of this Prospectus will be borne by the Manager.

REBATES AND SOFT COMMISSIONS

We or any of our delegates will not retain any rebate or soft commission from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission will be directed to the account of the Fund.

The soft commission can be retained by us or our delegates provided that:-

- the soft commissions bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;
- any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund; and
- the availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and we or our delegates will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.

All fees and charges payable by you are subject to all applicable taxes and/or duties as may be imposed by the government and/or the relevant authorities from time to time.

PRICING

COMPUTATION OF NAV AND NAV PER UNIT

In this section, you will be introduced to certain terms used to explain how the Fund arrives at its NAV and consequently, NAV per Unit for each Class. Under this section, please note the following definitions:-

“Value of the Fund before Income and Expenses”	Refers to the current value of the Fund inclusive of purchases and/or repurchases before the next valuation point.
“Value of a Class before Income and Expenses”	Refers to the current value of a Class inclusive of purchases and/or repurchases before the next valuation point.

You should also note that the NAV of the Fund is determined by deducting the value of all the Fund’s liabilities from the value of all the Fund’s assets, at a particular valuation point. The NAV per Unit of a Class is the NAV of the Fund attributable to a Class divided by the number of Units in Circulation for that particular Class, at the same valuation point.

Please refer to section “*Valuation Point for The Fund*” of this Prospectus for an explanation of the valuation point.

For illustration purposes, the following is the computation of NAV per Unit for a particular day for the Classes. The multi-class ratio will vary and be apportioned accordingly when further Class(es) are introduced by us:-

	Fund (USD)	USD Class (USD)	MYR Class (USD)	MYR Hedged- class (USD)	SGD Hedged- class (USD)	AUD Hedged- class (USD)	GBP Hedged- class (USD)	EUR Hedged- class (USD)	RMB Hedged- class (USD)
Value of the Fund / Class before Income and Expenses	500,000,000.00	150,000,000.00	50,000,000.00	50,000,000.00	50,000,000.00	50,000,000.00	50,000,000.00	50,000,000.00	50,000,000.00
Multi-class ratio *	100.00%	30.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Add: Income	2,700,000.00	810,000.00	270,000.00	270,000.00	270,000.00	270,000.00	270,000.00	270,000.00	270,000.00
Gross asset value / GAV	502,700,000.00	150,810,000.00	50,270,000.00	50,270,000.00	50,270,000.00	50,270,000.00	50,270,000.00	50,270,000.00	50,270,000.00
Less: Fund expenses	(150,000.00)	(45,000.00)	(15,000.00)	(15,000.00)	(15,000.00)	(15,000.00)	(15,000.00)	(15,000.00)	(15,000.00)
NAV of the Fund (before deduction of management and trustee fees)	502,550,000.00	150,765,000.00	50,255,000.00	50,255,000.00	50,255,000.00	50,255,000.00	50,255,000.00	50,255,000.00	50,255,000.00
Less: Management fee for the day (1.80% p.a.)	(24,783.29)	(7,434.99)	(2,478.33)	(2,478.33)	(2,478.33)	(2,478.33)	(2,478.33)	(2,478.33)	(2,478.33)
Less: Trustee fee for the day (0.06% p.a.)	(826.11)	(247.83)	(82.61)	(82.61)	(82.61)	(82.61)	(82.61)	(82.61)	(82.61)
NAV of the Fund (after deduction of management fee and trustee fee)	502,524,390.60	150,757,317.20	50,252,439.06	50,252,439.06	50,252,439.06	50,252,439.06	50,252,439.06	50,252,439.06	50,252,439.06
Total Unit in Circulation	502,000,000	200,800,000	200,800,000	200,800,000	50,200,000	50,200,000	50,200,000	50,200,000	50,200,000
NAV per Unit of a Class in Base Currency**		1.0010	1.0010	1.0010	1.0010	1.0010	1.0010	1.0010	1.0010
Currency exchange rate		USD 1 = USD 1	USD 1 = MYR 4	USD 1 = MYR 4	USD 1 = SGD 3	USD 1 = AUD 3	USD 1 = GBP 0.75	USD 1 = EUR 0.95	USD 1 = RMB 6
NAV per Unit in currency Class ***		USD 1.001	MYR 4.004	MYR 4.004	SGD 3.003	AUD 3.003	GBP 0.7507	EUR 0.9509	RMB 6.006

Notes:

- * Multi-class ratio is apportioned based on the size of the Class relative to the whole Fund. This means the multi-class ratio is calculated by taking the *Value of a Class before Income and Expenses* for a particular day and dividing it with the *Value of the Fund before Income and Expenses* for that same day. This apportionment is expressed as a ratio and calculated as a percentage.
- ** NAV per Unit of a Class is derived by dividing the NAV of a Class with the Units in Circulation of the particular Class. The rounding policy is four (4) decimal points for the purposes of publication of the NAV per Unit of a Class. However, the rounding policy will not apply when calculating the Sales Charge and Repurchase Charge (where applicable).
- *** NAV per Unit in currency Class is derived from the NAV per Unit of a Class in the Base Currency multiplied by the currency exchange rate for the particular Class.

INCORRECT PRICING

We will take immediate action to rectify any incorrect valuation and/or pricing of the Fund and/or the Units and to notify the Trustee and the SC of the same unless the Trustee considers the incorrect valuation and/or pricing of the Fund and/or the Units is of minimal significance.

The Trustee will not consider an incorrect valuation and/or pricing of the Fund and/or the Units to be of minimal significance if the error involves a discrepancy of 0.5% or more of the NAV per Unit unless the total impact on your account is less than MYR 10.00 or in the case of a foreign currency Class, less than 10.00 denominated in the foreign currency denomination of the Class. An incorrect valuation and/or pricing not considered to be of minimal significance by the Trustee will result in reimbursement of moneys in the following manner:

	Reimbursement by:	Receiving parties:
Over valuation and/or pricing in relation to the purchase and creation of Units	Fund	Unit Holder
Over valuation and/or pricing in relation to the repurchase of Units	AHAM	Fund
Under valuation and/or pricing in relation to the purchase and creation of Units	AHAM	Fund
Under valuation and/or pricing in relation to the repurchase of Units	Fund	Unit Holder or former Unit Holder

COMPUTATION OF SELLING PRICE AND REPURCHASE PRICE

Under a single pricing regime, the Selling Price and the Repurchase Price are equivalent to the NAV per Unit. Any applicable Sales Charge and Repurchase Charge are payable separately from the Selling Price and the Repurchase Price.

During the initial offer period, the Selling Price and the Repurchase Price are equivalent to the initial offer price. Forward Pricing will be used to determine the Selling Price and the Repurchase Price of the Fund after the initial offer period, i.e. the NAV per Unit as at the next valuation point after we receive the purchase request or repurchase request.

Calculation of Selling Price

For illustration purposes, let's assume the following:-

Class	USD Class	MYR Class	MYR Hedged-class	SGD Hedged-class	AUD Hedged-class	GBP Hedged-class	EUR Hedged-class	RMB Hedged-class
Investment Amount	USD 10,000	MYR 10,000	MYR 10,000	SGD 10,000	AUD 10,000	GBP 10,000	EUR 10,000	RMB 10,000
Selling Price per Unit	USD 0.50	MYR 0.50	MYR 0.50	SGD 0.50	AUD 0.50	GBP 0.50	EUR 0.50	RMB 0.50
Number of Units Received*	USD 10,000 ÷ USD 0.50 = 20,000 Units	MYR 10,000 ÷ MYR 0.50 = 20,000 Units	MYR 10,000 ÷ MYR 0.50 = 20,000 Units	SGD 10,000 ÷ SGD 0.50 = 20,000 Units	AUD 10,000 ÷ AUD 0.50 = 20,000 Units	GBP 10,000 ÷ GBP 0.50 = 20,000 Units	EUR 10,000 ÷ EUR 0.50 = 20,000 Units	RMB 10,000 ÷ RMB 0.50 = 20,000 Units
Sales Charge	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Sales Charge Paid By Investor**	5.50% x USD 0.50 x 20,000 Units = USD 550	5.50% x MYR 0.50 x 20,000 Units = MYR 550	5.50% x MYR 0.50 x 20,000 Units = MYR 550	5.50% x SGD 0.50 x 20,000 Units = SGD 550	5.50% x AUD 0.50 x 20,000 Units = AUD 550	5.50% x GBP 0.50 x 20,000 Units = GBP 550	5.50% x EUR 0.50 x 20,000 Units = EUR 550	5.50% x RMB 0.50 x 20,000 Units = RMB 550
Total Amount Paid By Investor***	USD 10,000 + USD 550 = USD 10, 550	MYR 10,000 + MYR 550 = MYR 10, 550	MYR 10,000 + MYR 550 = MYR 10, 550	SGD 10,000 + SGD 550 = SGD 10, 550	AUD 10,000 + AUD 550 = AUD 10, 550	GBP 10,000 + AUD 550 = GBP 10, 550	EUR 10,000 + EUR 550 = EUR 10, 550	RMB 10,000 + RMB 550 = RMB 10,550

Formula for calculating:-

$$\text{* Number of Units received} = \frac{\text{Investment Amount}}{\text{Selling Price per Unit}}$$

$$\text{** Sales Charge paid by investor} = \text{Sales Charge} \times \text{Selling Price per Unit} \times \text{Number of Units received}$$

$$\text{*** Total amount paid by investor} = \text{Investment Amount} + \text{Sales Charge paid by investor}$$

Calculation of Repurchase Price

For illustration purposes, let's assume the following:-

Class	USD Class	MYR Class	MYR Hedged-class	SGD Hedged-class	AUD Hedged-class	GBP Hedged-class	EUR Hedged-class	RMB Hedged-class
Units Repurchased	20,000 Units	20,000 Units	20,000 Units	20,000 Units	20,000 Units	20,000 Units	20,000 Units	20,000 Units
Repurchase Price per Unit	USD 0.50	MYR 0.50	MYR 0.50	SGD 0.50	AUD 0.50	GBP 0.50	EUR 0.50	RMB 0.50
Repurchase Amount [^]	20,000 Units x USD 0.50 = USD 10,000	20,000 Units x MYR 0.50 = MYR 10,000	20,000 Units x MYR 0.50 = MYR 10,000	20,000 Units x SGD 0.50 = SGD 10,000	20,000 Units x AUD 0.50 = AUD 10,000	20,000 Units x GBP 0.50 = GBP 10,000	20,000 Units x EUR 0.50 = EUR 10,000	20,000 Units x RMB 0.50 = RMB 10,000
Repurchase Charge	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Repurchase Charge Paid By Investor ^{^^}	0.00% x USD 10,000 = USD 0.00	0.00% x MYR 10,000 = MYR 0.00	0.00% x MYR 10,000 = MYR 0.00	0.00% x SGD 10,000 = SGD 0.00	0.00% x AUD 10,000 = AUD 0.00	0.00% x GBP 10,000 = GBP 0.00	0.00% x EUR 10,000 = EUR 0.00	0.00% x RMB 10,000 = RMB 0.00
Total Amount Received By Investor ^{^^^}	USD 10,000 - USD 0.00 = USD 10,000	MYR 10,000 - MYR 0.00 = MYR 10,000	MYR 10,000 - MYR 0.00 = MYR 10,000	SGD 10,000 - SGD 0.00 = SGD 10,000	AUD 10,000 - AUD 0.00 = AUD 10,000	GBP 10,000 - GBP 0.00 = GBP 10,000	EUR 10,000 - EUR 0.00 = EUR 10,000	RMB 10,000 - RMB 0.00 = RMB 10,000

Formula for calculating:-

[^] Repurchase amount	=	Units repurchased x Repurchase Price per Unit
^{^^} Repurchase Charge paid by investor	=	Repurchase Charge x Repurchase Amount
^{^^^} Total amount received by investor	=	Repurchase Amount - Repurchase Charge paid by investor

ABOUT THE TARGET FUND

Name of the Target Fund	: TT Asia ex China Equity Fund
Base Currency	: USD
Date of Establishment	: 8 May 2024
Country of Origin	: Ireland
Regulatory Authority	: Central Bank of Ireland

TT INTERNATIONAL FUNDS PLC (the “Company”)

The Target Fund is a sub-fund of the Company. The Company is an open-ended umbrella investment company with variable capital incorporated on 13 August 2001 and is authorised in Ireland as an undertaking for collective investment in transferable securities pursuant to the Regulations. Accordingly, the Company is supervised by the Central Bank. The Company has segregated liability between sub-funds.

The Company will issue its annual report and audited accounts which will contain a statement of the net asset value of each sub-fund of the Company (including the Target Fund) and of the investments comprised therein as at the year end or the end of such semi-annual period.

CARNE GLOBAL FUND MANAGERS (IRELAND) LIMITED (the “Management Company”)

The Company has appointed the Management Company to act as manager to the Company and the Target Fund with power to delegate one or more of its functions subject to the overall supervision and control of the Company. The Management Company is a private limited company and was incorporated in Ireland on 10 November 2003 under the registration number 377914 and has been authorised by the Central Bank to act as a UCITS management company and to carry on the business of providing management and related administration services to UCITS collective investment schemes pursuant to the Regulations.

The Management Company is responsible for the general management and administration of the Company's affairs and for ensuring compliance with the Central Bank UCITS Regulations, including investment and reinvestment of the Target Fund's assets, having regard to the investment objective and policies of the Target Fund. The Management Company has delegated certain of its administration and transfer agency functions in respect of the Target Fund to the Administrator.

The Management Company has delegated certain investment management functions in respect of the Target Fund to the Investment Manager.

TT INTERNATIONAL ASSET MANAGEMENT LTD. (the “Investment Manager”)

The Management Company has appointed TT International Asset Management Ltd. as Investment Manager of the Company. The Investment Manager is organised as a private limited company incorporated in England and Wales.

The Investment Manager was incorporated 9 July 2019 to allow for an acquisition by Sumitomo Mitsui Financial Group (SMFG) and has been authorised and regulated by the Financial Conduct Authority of the UK (“FCA”) since February 2020 [Registration No. 915787]. Prior to the reorganisation, the Investment Manager had been authorised and regulated by the FCA and previously the FSA/IMRO since September 1988 [Registration No. 170435].

The Investment Manager's activities include, but are not limited to, (1) arranging deals in investments, (2) dealing in investments as agent, (3) making arrangements with a view to transactions in investments, and (4) managing investments.

The Investment Manager's clients includes sovereign wealth funds, public pension funds and superannuation funds. The Investment Manager now manages approximately USD5.25 billion.

INVESTMENT OBJECTIVE OF TARGET FUND

The investment objective of the Target Fund is to produce long term capital growth.

Investment Policy of the Target Fund

The Target Fund seeks to achieve its investment objective by investing in a diversified portfolio of equity (i.e. common and preferred stock) and equity-related securities such as:

- depositary receipts, American depositary receipts, global depositary receipts;
- single and index stock P-Notes (which are notes issued by banks or brokers the return – positive or negative – from which reflects the performance of the underlying shares or equity index. They allow participation in the performance of the underlying shares or index without owning them. They are typically used to obtain exposure to markets where settlement arrangements are difficult such as India, Pakistan, Sri Lanka, Vietnam, South Korea and Taiwan. The Target Fund's exposure to P-Notes is not expected to exceed 50% of the net asset value of the Target Fund where such markets are closed and 15% of the net asset value of the Target Fund in normal market conditions where such markets are open);
- other securities having equities as the underlying instrument, i.e. equity linked notes (not containing embedded derivatives), fully-funded equity swaps and convertible bonds (not to include contingent convertible bonds); and
- warrants,

which are, or for which the underlying securities are: (i) traded on the MSCI Emerging Markets Asia ex China 10/40 (Gross Total Return) (the "Index"); or (ii) listed on a Market and (a) has its registered office or domicile located in countries listed in the Index; or (b) does not have its registered office or domicile located in countries listed in the Index, but which, in the opinion of the Investment Manager, carry out a predominant proportion of their business activity from countries located in the Index.

Up to 20% of the net asset value of the Target Fund may be invested in non-Index securities, which may include: (a) equity securities listed or traded on any stock exchange in Asia (including China and Japan); (b) equity securities on a recognised global exchange where the issuer in question derives more than 50% of its assets, sales or profits from countries within the Index; or (c) equity securities on a recognised global exchange where the issuer in question employs more than 50% of its workforce in, and derives more than 50% of its gross employment costs from operations within, countries within the Index.

The Target Fund may also be invested in fixed and floating rate convertible and hybrid fixed-income debt securities (not to include contingent convertible securities) including non-investment grade debt securities of corporate and government issuers worldwide (not more than 10% of the total net asset value of the Target Fund may be invested in debt securities). Non-investment grade debt securities are debt securities that are rated BB+ or lower by a rating agency, or are unrated but determined by the Investment Manager to be of comparable quality.

The process for identification and selection of eligible securities is described below in the section entitled, *"Identification and selection of eligible securities"* below.

While the Target Fund may also invest in equity-related securities such as warrants, this is not expected to have a material impact on the leverage or volatility of the Target Fund.

The Target Fund may buy and sell futures and options (comprising options on futures, options on indices and ETFs and stock options, in pursuit of the investment objective and to gain exposure to the instruments and Index listed above, as well as for efficient portfolio management purposes. The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price. A call option on a security is a contract under which the purchaser, in return for a premium paid, has the right to buy the securities underlying the option at the specified exercise price at any time during the term of the option. The writer (seller) of the call option, who receives the premium, has the obligation, upon exercise of the option, to deliver the underlying securities against payment of the exercise price. A put option is a contract that gives the purchaser, in return for a premium paid, the right to sell the underlying securities at the specified exercise price during the term of the option. The writer of the put, who receives the premium, has the obligation to buy the underlying securities, upon exercise, at the exercise price.

The Target Fund may participate in initial public offerings of equity or equity-related securities of the types described above if the Investment Manager determines participation to be appropriate.

The Target Fund may also invest up to 10% of the total net asset value of the Target Fund in open ended collective investment schemes in accordance with the requirements of the Regulations.

The Target Fund may hold ancillary liquid assets, of which up to 10% of the total net asset value of the Target Fund may be held in cash (this limit does not apply where cash is held to facilitate large redemptions).

The Index captures large and mid-cap representation across seven of the eight emerging market countries in Asia, excluding China, while adhering to the single issuer exposure limits set out in the Regulations. The Index rebalances quarterly in line with its parent index, MSCI Emerging Markets Asia ex China, and also on an "as needed" basis in the event that the 10/40 Index constraints are breached at the close of any given day. The rebalancing frequency will have minimal impact on the transaction costs associated with the Target Fund.

Save to the extent permitted by the Regulations, all securities will be listed or traded on the Markets listed in Appendix II.

Identification and selection of eligible securities

The Investment Manager uses the following method to identify eligible securities:

1. Top-down research

The Investment Manager's process begins with top-down research, which involves the analysis of the countries listed above and their sectors based on a range of global, domestic and market factors. Global factors include trade sensitivity, current account positions and geopolitics. Domestic factors include monetary policy and fiscal reform, as well as the credit, property and investment cycles. Market factors include earnings revisions, valuations, and flows and positioning. The ultimate output of the top-down element of the process is to direct research resources to the most promising areas.

2. Bottom-up stock research

Directed by the top-down process, this focuses on specific sectors and industries that are expected to derive the greatest benefit from the economic and political trends that have been identified. For example, if a country is likely to see falling real rates, the Investment Manager may focus its research agenda on beneficiaries of lower rates such as property and consumer discretionary stocks. Alternatively, if a country is expected to suffer from a deteriorating current account and hence a weakening currency, it may focus on exporters.

The bottom-up research seeks to identify mispriced equities that are favourably positioned within the macroeconomic environment expected. Mispricing can be persistent and significant in Asia; understanding the causes of this mispricing and identifying the milestones which, if passed, should see the stock to return to fair value are critical aspects of the Investment Manager's process.

Ideas on which stocks are worthy of further consideration will come from a variety of sources, including:

- Ideas derived from the top-down and thematic research
- Experience and knowledge of companies and their marketplace
- Company meetings and research trips
- News flow and company results
- Liaising with colleagues managing or researching other regions and products
- Stock screening
- 'Sell-side' broker research

When identifying stocks for potential inclusion in the portfolio, the Investment Manager will look for securities that exhibit a combination of quality, growth and value. Once identified, eligible securities (including those securities which are not listed or traded on the Index) may be selected by the Investment Manager using the following process:

The Investment Manager will develop a detailed investment thesis, as part of the process, it will typically meet with company management, peers, customers and suppliers. The Investment Manager will also develop a counter-thesis to understand opposing views and why they differ, as well as what could potentially go wrong by speaking to bearish analysts and industry experts, as well as interrogating its financial models for weaknesses. Finally, the Investment Manager will identify fundamental stop-loss events. These are potential major issues that would almost certainly lead it to sell the stock immediately if they came to pass, subject to price levels.

The Investment Manager also identifies future milestones that will either prove or disprove the thesis. Examples include customer growth, earnings expansion, and free cash flow inflection points.

Valuation is a key factor in the Investment Manager's process. It uses multiple valuation tools, assigning the greatest weight to those it perceives to be of greatest relevance to the stock or sector under consideration.

The Investment Manager follows a price target driven approach, meaning that it:

- sets 18-month price targets for every stock in the portfolio, and updates them regularly;
- constructs these price targets as consistently as possible;
- monitors the upside to price targets at its weekly meetings; and
- seeks to ensure that position sizes are aligned with valuation upside and conviction levels.

Sell discipline is a critical part of the Investment Manager's process. The Investment Manager holds a regular 'thesis and milestones' meeting during which it reviews stocks where the investment case is in question. These reviews follow the thesis, counter-thesis, milestones, valuation framework, but have a particular focus on milestones, which should be either be proving or disproving the thesis. Stocks are automatically reviewed if they reach their price target, underperform the Index by -20% over 6 months, or detract at least -50 basis points from relative portfolio performance. Following this review, if the stock has reached its price target and the Investment Manager cannot justify a higher target, or if it is deemed that the investment case is impaired due to negative developments in any of the investment process stages (thesis, counter-thesis, milestones, valuation), the stock could be sold.

Although the portfolio is expected to be substantially invested in long-only securities, it is permitted to have synthetic short positions through the use of FDIs when the Investment Manager deems this to be appropriate. Where the Investment Manager seeks to employ a long/short strategy, the Investment Manager will identify securities that are trading under (or over) their fundamental value, as may be determined in accordance with the investment process outlined above or based on fundamental research of the issuer, or on, statistical, technical or other factors (including liquidity of the individual security, market stresses such as a financial crisis or a political crisis that would significantly impact credit markets).

The investments underlying the Target Fund do not take into account the EU criteria for environmentally sustainable economic activities.

The Target Fund issues several share classes and may issue new share classes with different features and requirements in the future. The Fund will have full discretion to decide in which share class of the Target Fund to invest and may switch to a different share class of the Target Fund. Such decision will be made in the best interest of investors. Investors may wish to note that the investment objective, investment strategy and risk profile of the Fund remain the same regardless of the investment of the Fund in different share class of the Target Fund. For information on the specific share class of the Target Fund that the Fund is investing in, you may obtain the details from the "Fund Fact Sheet" document of the Fund on our website at www.aham.com.my.

PERMITTED ASSETS, INVESTMENT RESTRICTIONS AND POWERS OF THE TARGET FUND

1. Permitted Investments

Investments of the Target Fund is confined to:

- 1.1 transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.
- 1.2 recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
- 1.3 Money market instruments other than those dealt on a regulated market.
- 1.4 Units of UCITS.
- 1.5 Units of AIFs.
- 1.6 Deposits with credit institutions.
- 1.7 Financial derivative instruments.

2. Investment Restrictions

- 2.1 The Target Fund may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
- 2.2 The Target Fund may invest no more than 10% of net assets in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by the Target Fund in certain US securities known as Rule 144A securities provided that:
- 2.2.1 the securities are issued with an undertaking to register with the US Securities and Exchange Commission ("SEC") within one year of issue; and
- 2.2.2 the securities are not illiquid securities i.e. they may be realised by the Target Fund within seven days at the price, or approximately at the price, at which they are valued by the Target Fund.
- 2.3 The Target Fund may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in which each of which it invests more than 5% is less than 40%.
- 2.4 Subject to the prior approval of the Central Bank, the limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If the Target Fund invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the Target Fund. The Company may not utilise this provision in respect of the Target Fund without prior approval of the Central Bank.
- 2.5 The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-EU member state or public international body of which one or more Member States are members.
- 2.6 The transferable securities and money market instruments referred to in 2.4. and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.
- 2.7 Cash booked in accounts with any single credit institution and held as ancillary liquidity shall not exceed 20% of the net assets of the Target Fund.
- 2.8 The risk exposure of the Target Fund to a counterparty to an OTC derivative may not exceed 5% of net assets.
- This limit is raised to 10% in the case of a credit institution authorised in the EEA; a credit institution authorised within a signatory state (other than an EEA member state) to the Basel Capital Convergence Agreement of July 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.
- 2.9 Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:
- 2.9.1 investments in transferable securities or money market instruments;
- 2.9.2 deposits, and/or
- 2.9.3 risk exposures arising from OTC derivatives transactions.
- 2.10 The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.
- 2.11 Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.
- 2.12 The Target Fund may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-EU member states or public international bodies of which one or more Member States are members. The following are permitted issuers for the purposes of this investment restriction:
- OECD member states, excluding those listed above (provided the relevant issues are investment grade), Government of Brazil (provided the relevant issues are investment grade), Government of India (provided the relevant issues are investment grade), Government of Singapore, Asian Development Bank, Euratom, European Union, European Investment Bank, Inter-American Development Bank, European Bank of Reconstruction and Development, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (i.e. the World Bank), International Finance Corporation, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), the International Monetary Fund, the Federal Home Loan Bank (FHLB), Federal Farm Credit Bank, the Tennessee Valley Authority (TVA), the Student Loan Marketing Association (Sallie Mae), Straight-A Funding LLC.
- The Target Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.

3. Investment in Collective Investment Schemes ("CIS")

- 3.1 The Target Fund may not invest more than 10% of net assets in any one CIS.
- 3.2 Investment in AIFs may not, in aggregate, exceed 10% of net assets.
- 3.3 The Target Fund may only invest in a CIS if the CIS is prohibited from investing more than 10% of net assets in other open-ended CIS.
- 3.4 When the Target Fund invests in the units of other CIS that are managed, directly or by delegation, by any other company with which the Company is linked by common management or control, or by a substantial (at least 10% of the capital or voting rights) direct or indirect holding, that other company may not charge management, subscription, conversion or redemption fees on account of the Target Fund's investment in the units of such other CIS.
- 3.5 Where a commission (including a rebated commission) is received by the Target Fund's Investment Manager by virtue of an investment in the units of another CIS, this commission must be paid into the property of the Target Fund.

4. General Provisions

- 4.1 The Management Company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
- 4.2 The Target Fund may acquire no more than:
 - 4.2.1 10% of the non-voting shares of any single issuing body;
 - 4.2.2 10% of the debt securities of any single issuing body;
 - 4.2.3 25% of the units of any single CIS;
 - 4.2.4 10% of the money market instruments of any single issuing body.

The limits laid down in 4.2.2, 4.2.3 and 4.2.4 above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.
- 4.3 4.1 and 4.2 shall not be applicable to:
 - 4.3.1 transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
 - 4.3.2 transferable securities and money market instruments issued or guaranteed by a non-Member State;
 - 4.3.3 transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;
 - 4.3.4 shares held by the Target Fund in the capital of a company incorporated in a non-EU member state which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the Target Fund can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-EU member state complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 4.1, 4.2, 4.4, 4.5 and 4.6 and provided that where these limits are exceeded, paragraphs 4.5 and 4.6 below are observed;
 - 4.3.5 shares held by an investment company in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at Shareholders' request exclusively on their behalf.
- 4.4 The Target Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.
- 4.5 The Central Bank may allow recently authorised Funds to derogate from the provisions of 2.3 to 2.12, 3.1, and 3.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.
- 4.6 If the limits laid down herein are exceeded for reasons beyond the control of the directors of the Company, or as a result of the exercise of subscription rights, the directors of the Company must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.

- 4.7 The Target Fund may not carry out uncovered sales of:
- 4.7.1 transferable securities;
 - 4.7.2 money market instruments*;
 - 4.7.3 units of CIS; or
 - 4.7.4 financial derivative instruments.

4.8 The Target Fund may hold ancillary liquid assets.

5. Financial Derivative Instruments (“FDIs”)

- 5.1 The Target Fund’s global exposure (as prescribed in the Central Bank UCITS Regulations) relating to FDIs must not exceed its total net asset value.
- 5.2 Position exposure to the underlying assets of FDIs, including embedded FDIs in transferable securities or money market instruments, when combined, where relevant, with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations. (This provision does not apply in the case of index based FDIs provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations.)
- 5.3 The Target Fund may invest in FDIs dealt OTC provided that the counterparties to the OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
- 5.4 Investment in FDIs is subject to the conditions and limits laid down by the Central Bank.

It is intended that the Target Fund should have the power to avail of any change in the law, Regulations or guidelines which would permit investment in assets and securities on a wider basis in accordance with the requirements of the Central Bank.

The indices to which the Target Fund may gain exposure will be eligible indices according to the Central Bank requirements and will comprise indices the constituents of which include the types of securities in which the Target Fund may directly invest.

Use of Financial Derivative Instruments (“FDIs”)

The Target Fund may use the following FDIs: futures, options (comprising options on futures, options on indices and ETFs and stock options), foreign exchange spot and forward contracts and swaps for investment, hedging and efficient portfolio management purposes. Futures will be used primarily for hedging existing positions. In addition, in falling markets index futures may be sold instead of selling shares to facilitate the raising of cash more quickly and at a lower cost to the Target Fund. Options will be used for hedging existing positions, or as a more cost-effective way of gaining exposure to stocks, other equity or equity-related securities or the market. Foreign exchange spot and forward contracts may be used for hedging, including cross hedging, the Target Fund’s currency exposure into any currency in which investments are otherwise permitted. Investors should note that the performance of the Target Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Target Fund may not correspond with the securities position held by the Target Fund. Swaps may be bought instead of purchasing the underlying equity as a more cost effective way of gaining exposure to that equity. The liquidity of the swaps would be the same as the liquidity of the underlying stock. Swaps have the same generic risks as futures, and additionally have counterparty and legal risk as it is possible that the counterparty may not live up to its payment obligations, which could lead to an irrecoverable loss to the Target Fund and it is also possible that a change in market regulations may not be explicitly covered in the governing contract, which could lead to legal disputes. While it is possible to use swaps and futures to provide leverage, it is not the intention that the Target Fund will leverage through any investment in swaps or futures.

Based on the nature of the FDI utilised, the Target Fund utilises the commitment approach methodology for calculation of its global exposure. The Investment Manager does not employ leverage as an investment strategy; however, the use of FDI may introduce leverage into the Target Fund. The leverage exposure of the Target Fund through the use of FDIs will not exceed 100% of the net asset value of the Target Fund, as measured using the commitment approach.

As outlined above, the Target Fund may use certain FDIs to invest in major equity indices such as the Index which may provide exposure to the asset classes listed above in a more efficient manner. These financial indices will meet the requirements of the Regulations and will be consistent with the investment policies of the Target Fund and generally will not be rebalanced more frequently than monthly. It is not anticipated that such rebalancing will increase Target Fund costs or impact the Target Fund’s ability to comply with the investment restrictions.

* Any short selling of money market instruments by UCITS is prohibited.

Based on the investment policies of the Target Fund, the Investment Manager expects to pursue a long only equity strategy, with the ability to enter into synthetic short positions for hedging and efficient portfolio management purposes, as the Investment Manager deems appropriate, acting in the best interests of the Target Fund and subject to the relevant restrictions of the Target Fund. The Target Fund is not permitted to take direct uncovered short positions. The Target Fund may take both long and short positions and such positions are typically expected to be within a range of maximum 20% long and maximum 20% short of the net asset value of the Target Fund.

Short positions are taken through: futures (including index futures), options (including stock options, options on futures, indices and ETFs), forwards and swaps which may provide exposure to any type of security in which the Target Fund is permitted to invest in accordance with the Target Fund's investment policies.

Long positions are taken through direct investment in the equity and equity-related securities including the direct purchase of convertible bonds, or through the use of FDI that provide an alternate means of exposure to such instruments. The FDI used for providing alternate means of long exposure are: futures (including index futures), options (including stock options, options on futures, indices and ETFs), forwards and swaps.

Types of FDIs

The types of FDIs that the Target Fund may use consist principally of:

Futures Contracts and Options on Futures

The Target Fund may enter into futures contracts and options on futures contracts, which involve the purchase or sale of a contract to buy or sell a specified security, index or other financial instrument at a specific future date and price on an exchange or the OTC market. The Target Fund may enter into such contracts as a substitute for taking a position in any underlying asset or to increase returns.

Warrants

A warrant is a security that entitles the holder to buy stock of the company that issued the warrant at future date at a specified price. Warrants have similar characteristics to call options, but are typically issued together with preferred stocks or bonds or in connection with corporate actions. Warrants are typically longer-dated options and are generally traded OTC. The commercial purpose of warrants can be to hedge against the movements of a particular market or financial instrument or to gain exposure to a particular market or financial instrument instead of using a physical security.

The Target Fund may purchase warrants. Warrants do not carry with them the right to dividends or voting rights with respect to the securities that they entitle the holder to purchase, and they do not represent any rights in the assets of the issuer. As a result, warrants may be considered more speculative than certain other types of equity-like securities. In addition, the values of warrants do not necessarily change with the values of the underlying securities and these instruments cease to have value if they are not exercised prior to their expiration dates.

Convertible Securities

Convertible bonds are bonds that provide the holder of the bond with the option to exchange the bond for a specific number of shares of a company's stock. This embedded option affects the risk of the bond and it exhibits characteristics similar to both regular fixed income securities and equity as a result. When the underlying stock is performing poorly the convertible continues to earn interest and so tends to behave like a bond when the option is out of the money, when the underlying stock starts to perform well the value of the embedded option increases and as a result the convertible will start to behave like the underlying stock as the option goes into the money. The Target Fund may invest in convertible bonds for the purpose of taking exposure to companies and issuers that are consistent with the investment policy of the Target Fund.

Convertible preferred securities are securities that provide the holder of preference shares with the option to exchange the preference shares for a specific number of shares of a company's ordinary shares. This embedded option allows the Target Fund to maintain its equity investment strategy whilst providing certain elements of fixed income instruments as preference shares often have fixed dividends which are required to be paid before any dividends are paid to the holders of ordinary shares. As such, the Target Fund can utilise the preferred element of the security where an underlying company's performance is poorer and convert into a company's ordinary shares when the value of same increases appropriately. In addition, the preferred element of the security assists in providing income to the Target Fund and the pricing structure might also provide value for the portfolio.

The convertible securities in which the Target Fund may invest may embed an option.

Repurchase/Reverse Repurchase Agreements

The Target Fund may enter into repurchase/reverse repurchase agreements for the purposes of efficient portfolio management subject to the conditions and limits set out in the Regulations and the UCITS Rules.

A repurchase agreement, or sale-and-repurchase agreement, also known as a repo, is the sale of securities together with an agreement for the seller to buy back the securities at a later date. Under a repurchase agreement, the Target Fund sells securities to a counterparty with an agreement by the Target Fund to repurchase the securities at the same price, plus interest, at a specified rate.

A reverse repurchase agreement, also known as a reverse repo, is the purchase of securities from a counterparty with an agreement for the purchaser to resell the securities at a later date to the counterparty. Under a reverse repurchase agreement, the Target Fund buys securities from a counterparty with an agreement by the Target Fund to resell the securities at the same price, plus interest, at a specified rate. Security is held by the Target Fund as collateral for the counterparty's repurchase obligation.

For repurchase agreements, the Target Fund shall ensure that it is able at any time to recall any securities subject to the agreement or to terminate the repurchase agreement into which it has entered. In relation to reverse repurchase agreements, the Target Fund should ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. Fixed-term repurchase and reverse repurchase agreements that do not exceed seven days shall be considered as arrangements on terms that allow the assets to be recalled at any time by the Target Fund.

Options

The Target Fund may purchase call and put options and write (i.e., sell) covered call and put option contracts in accordance with its investment objective and policies. A "call option" is a contract sold for a price giving its holder the right to buy a specific number of securities at a specific price prior to a specified date. A "covered call option" is a call option issued on securities already owned by the writer of the call option for delivery to the holder upon the exercise of the option. A "put option" gives the purchaser of the option the right to sell, and obligates the writer to buy, the underlying securities at the exercise price at any time during the option period. A put option sold by the Target Fund is covered when, among other things, the Target Fund segregates permissible liquid assets having a value equal to or greater than the exercise price of the option to fulfil the obligation undertaken or otherwise covers the transaction. The Target Fund may purchase and sell call and put options in respect of specific securities (or groups or "baskets" of specific securities) or securities indices, currencies or futures. The Target Fund also may enter into OTC options contracts, which are available for a greater variety of securities, and a wider range of expiration dates and exercise prices, than are exchange-traded options. Successful use by the Target Fund of options and options on futures will depend on the Investment Manager's ability to predict correctly the movements in the prices of individual securities, the relevant securities market generally, currency exchange rates or interest rates.

Swap Agreements

The Target Fund may enter into interest rate, equity index, credit default, currency and total return swap agreements for hedging purposes or in an attempt to obtain a particular return when it is considered desirable to do so. A swap transaction involves an agreement between two parties to exchange different cash flows based on a specified or "notional" amount. The cash flows exchanged in a specific transaction may be, among other things, payments that are the equivalent of interest on a principal amount, payments that would compensate the purchaser for losses on a defaulted security or basket of securities, or payments reflecting the performance of one or more specified currencies, securities or indices.

Total return swap agreements will be used to gain exposure to particular securities or securities markets in instances where (1) it is not possible due to local market restrictions or not economic to do so through the underlying security or (2) the Investment Manager desires a degree of leverage, either in the portfolio or for the specific situation. The Target Fund may utilise total return swap contracts in respect of securities and securities indices whereby the Target Fund typically exchanges a fixed cash flow based on the total return of an equity for floating rate cash flows. These contracts allow the Target Fund to manage its exposures to certain securities or securities indices. For these instruments the Target Funds' return will be based on the return of the underlying equity/index. If the Target Fund invests in total return swaps or other FDI with the same characteristics, the underlying asset or index may be comprised of equity or debt securities, money market instruments or other eligible investments which are consistent with the investment objective and policies of the Target Fund as set out in the "Investment Policies" section of the Target Fund. If the Target Fund invests in total return swaps or other FDI with the same characteristics, the underlying asset or index may be comprised of equity or debt securities, money market instruments or other eligible investments which are consistent with the investment objective and policies of the Target Fund. The counterparties to such transactions are typically banks, investment firms, broker-dealers, collective investment schemes or other financial institutions or intermediaries. The risk of counterparty defaulting on its obligations under the total return swaps and its effect on Shareholder return are described in the section entitled "FDI Risk – Counterparty Risk". Counterparties to swap agreements will not breach the exposure limits as set out in Schedule II and will comply with the requirements of the Central Bank.

Counterparties to total return swaps entered into by the Target Fund will not assume any discretion over the composition or management of the Target Fund's investment portfolio or over the underlying of the FDI, or that the approval of the counterparty is required in relation to any portfolio transactions by the Target Fund.

Forward Contracts

A forward contract involves obligations of one party to purchase, and another party to sell, a specific amount of a currency (or a security or other financial instrument) at a future date, at a price established in the contract.

Forward contracts may be structured for cash settlement, rather than physical delivery. The Target Fund may enter into non-deliverable currency forward contracts ("NDFs"), which are a particular type of cash-settled forward contract that may be used to gain exposure to a non-convertible or relatively thinly traded non-US currency.

With respect to futures contracts or forward contracts that are contractually required to cash settle, the Target Fund will be permitted to set aside liquid assets in an amount equal to the Target Fund's daily marked-to-market net obligation (i.e., the Target Fund's daily net liability) under the contracts, if any, rather than such contracts' full notional value. In the case of futures contracts or forward contracts that are not contractually required to cash settle, the Target Fund will be obligated to set aside liquid assets equal to such contracts' full notional value (generally, the total numerical value of the asset underlying a future or forward contract at the time of valuation) during the period of time while the contract positions are open.

Participation Notes

P-Notes are financial instruments which may be used by the Target Fund to gain indirect exposure to various equity markets. While P-Notes are often listed on an exchange, they are usually traded on an OTC basis with the issuing broker or bank. P-Notes on equities usually provide exposure to the underlying equity on a one-to-one basis so that investors will not normally gain more in absolute terms than they would have made had they invested in the underlying securities directly, and will not normally lose more than they would have lost had they invested in the underlying securities directly. Such P-Notes are not bought on margin and they do not embed any derivative elements or leverage. The Target Fund invests in P-Notes structured as transferable securities under Regulations and such investments will not be subject to the rules for FDI. However, the Investment Manager will limit exposure to 10% per broker counterparty where the Target Fund invests in P-Notes.

Securities Financing Transactions and Total Return Swaps

The Target Fund may enter into securities lending, repurchase, and reverse repurchase transactions from time to time.

The Target Fund engages in SFTs with a view to achieving the investment objective of the Target Fund, efficient portfolio management and hedging of investment risk (although there is no guarantee that all or any of these will be achieved).

The types of assets of the Target Fund that may be subject to SFTs include all assets of the Target Fund from time to time, including by way of example only, listed and unlisted equity and equity-related securities, currencies, units in other collective investment schemes and derivatives. The maximum proportion of the Target Fund's assets under management that can be subject to SFTs and total return swaps are set out in the table below.

Maximum proportion of SFTs as a % of total net asset	Expected percentage of SFTs as a % of total net asset	Expected percentage of total return swaps as a % of total net asset
27.5%	8%	0%

In selecting counterparties for each SFTs, the Company uses the following criteria: legal status, country of origin, minimum credit rating and regulated status of the counterparty. For example, the counterparty may be a body corporate located in an EEA member state.

Generally, the Company will accept the following types of non-cash collateral: obligations issued or guaranteed by the US, UK any other OECD member states or their local governments, agencies, instrumentalities or authorities, obligations issued by supranational entities, corporate debt securities, including commercial paper and convertible securities, issued by US and non-US corporations, equities from major indices (including, but not limited to Australia, Canada, Denmark, France, Germany, Hong Kong, Japan, The Netherlands, Norway, Sweden, Switzerland, United Kingdom and United States). Maturity is not a feature considered when accepting collateral.

The Company employs the following collateral valuation methodology: Collateral must be capable of being valued on at least a daily basis and is marked-to-market daily by a team of securities lending professionals. They compare the value of securities on loan and collateral with respect to both market and currency values and verify that the value of collateral held, plus the additional collateral demanded from the mark-to-market, equals or exceeds the value of loaned securities plus accrued interest. Prices from various sources, including FT Interactive Data, Bloomberg, and Standard & Poor's, are compared across vendors and material differences are investigated. Daily variation margins are used by the Target Fund. Minimum collateral levels are 102%/105% plus accrued interest, subject to de minimis rules of change in market value. If the value of collateral falls below this, loans are marked-to-market daily and additional collateral is requested from the borrower. If there is excess collateral it will be returned to the borrower in accordance with the relevant borrower agreement. All equity loans are collateralised at a minimum of 105% (except US equities versus US fixed income collateral). All cross currency loans, whether fixed or equity assets are collateralised at minimum 105%.

Collateral shall be accepted subject to diversification limits (which may include, without limitation, issuer or liquidity restrictions) in accordance with the "Collateral Policy" described below. The value of collateral received should not display a high correlation with the performance of the counterparty.

A description of the risks linked to SFTs and total return swaps as well as risks linked to collateral management, such as market risks, liquidity risks, commercial and credit risks, counterparty risks, custody risks, legal risks and operational risks to the extent the Company considers them reasonably relevant and as further described in the section "Specific Risks of the Target Fund". The risks arising from the use of SFTs shall also be adequately captured in the Company's risk management process.

All revenue generated by SFTs, net of direct and indirect operational costs, will be returned to the Target Fund. Direct and indirect operational costs and fees arising from the use of SFTs and total return swaps will be paid to the counterparty to the agreement, who shall not be related to the Investment Manager.

Collateral Policy

For the purposes of limiting the Target Fund's credit risk in respect of OTC transactions or repurchase agreements, collateral may be received from, or posted to, counterparties on behalf of the Target Fund. Collateral will normally comprise cash and/or securities issued or guaranteed by certain member states of the OECD or by their public or local authorities or by their supranational institutions and organisations provided such collateral complies with the requirements of the Central Bank.

Where collateral is received it will comply with the following:

- (i) Liquidity: Collateral received, other than cash, should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74 of the Regulations in relation to the acquisition of shares carrying voting rights;
- (ii) Valuation: Collateral received must be capable of being valued on at least a daily mark- to-market basis to ensure that margin is sufficiently covered and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place ;
- (iii) Issuer credit quality: Collateral received should be of high quality and will be evaluated in accordance with the issuer credit assessment process requirements as set out in the Central Bank UCITS Regulations;
- (iv) Correlation: Collateral received should be issued by an entity that is independent from the counterparty and is not expected, on reasonable grounds, to display a high correlation with the performance of the counterparty;
- (v) Diversification (asset concentration): Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the net asset value of the Target Fund. When the Target Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. The Target Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belongs, provided the Target Fund should receive securities from at least 6 different issues, but securities from any single issue should not account for more than 30% of the Target Fund's net asset value. Please refer to paragraph 2.12 in "Investment Restrictions" section of the Target Fund above for a list of individual issuers; and
- (vi) Immediately available: Collateral received should be capable of being fully enforced by the Target Fund at any time without reference to or approval from the relevant counterparty.

Level of Collateral

In respect of OTC derivatives such collateral shall be required to ensure that counterparty exposure is managed within the limits set out in the section “Investment Restrictions” of the Target Fund.

Otherwise the Target Fund will require collateral where the exposure to a counterparty has reached a minimum threshold level. That minimum threshold level will be determined on a counterparty by counterparty basis and will depend on many factors including the credit quality of the counterparty.

Haircut Policy

The Company typically only accepts non-cash collateral that does not exhibit high price volatility and therefore a haircut policy is not required. If the Target Fund did hold non-cash collateral that exhibited high price volatility, then the relevant Investment Manager would negotiate appropriate haircuts taking into account such factors as the issuer credit quality and price volatility of the collateral and, where relevant, the outcome of any stress tests which may be performed in accordance with the stress testing policy. The value of the collateral, adjusted in light of the haircut policy, shall equal or exceed, in value, at all times, the relevant counterparty exposure.

Non-cash collateral received cannot be sold, pledged or reinvested.

Reinvestment of cash collateral must at all times, meet with the following requirements:

- (i) Cash received as collateral may only be invested in the following:
 - deposits with an EU credit institution, a bank authorised in the remaining Member States of the European Economic Area (EEA), a bank authorised by a signatory state, other than a Member State or a member state of EEA, to the Basel Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States) or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand (the Relevant Institutions);
 - high quality government bonds;
 - reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the Investment Manager and/or sub-investment manager is able to recall at any time the full amount of cash on an accrued basis;
 - short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049);
- (ii) Invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral;
- (iii) Invested cash collateral may not be placed on deposit with the counterparty or a related entity.

The Target Fund receiving collateral for 30% or more of its assets should have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Target Fund to assess the liquidity risk attached to the collateral. The liquidity stress testing policy should at least prescribe the following:

- design of stress test scenario analysis including calibration, certification and sensitivity analysis;
- empirical approach to impact assessment, including back-testing of liquidity risk estimates;
- reporting frequency and limit/loss tolerance thresholds; and
- mitigation actions to reduce loss including haircut policy and gap risk protection.

All counterparties to OTC FDI transactions, repurchase/reverse repurchase agreements or securities lending agreements will be a counterparty that falls within at least one of the following categories as set out under the Central Bank UCITS Regulations:

- (i) a credit institution authorised:
 - a) in the EEA;
 - b) within a signatory state, other than a member state of the EEA, to the Basle Capital Convergence Agreement of July 1988; or
 - c) in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.
- (ii) an investment firm authorised in accordance with MIFID; or
- (iii) a group company of an entity issued with a bank holding licence from the Federal Reserve of the United States of America and is subject to its supervision.

Where a counterparty (that falls within one of the preceding categories) to a repurchase or a securities lending agreement which has been entered into on behalf of the Target Fund:

- a) was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account in the credit assessment process; and
- b) where a counterparty is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to in subparagraph (a) this shall result in a new credit assessment being conducted by the Company.

The Company will ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

If the Company enters into a reverse repurchase agreement, it will ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement will be used for the calculation of the net asset value of the Target Fund.

If the Company enters into a repurchase agreement, it will ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered.

Repurchase/reverse repurchase agreements or securities lending do not constitute borrowing or lending for the purposes of the Regulations

Safekeeping

Collateral received on a title transfer basis should be held in custody by the trustee. For other types of collateral arrangements, the collateral can be held by a third party depositary which is subject to prudential supervision, and which is unrelated to the provider of the collateral. Assets pledged in such transactions by the Target Fund continue to be safekept by the Depositary.

Fund/Portfolio Currency Hedging Strategy

The Target Fund operates the investment portfolio in the base currency of the Target Fund. As long as the Target Fund holds securities or currencies denominated in a currency other than the denomination of the base currency of the Target Fund, the value of the Target Fund may be affected by the value of the local currency relative to the currency in which that Fund is denominated. The Company may use currency hedging techniques to remove the currency exposure against the USD as applicable in order to limit currency exposure between the currencies of the Target Fund's investment portfolio and the base currency of the Target Fund; however, this may not be possible or practicable in all cases. As long as the Target Fund holds securities denominated in a currency other than the base currency of the Target Fund, the Target Fund's net asset value will be affected by the value of the local currency relative to the base currency.

No Class Currency Hedging

The base currency of the Target Fund is USD. There are also classes of Shares available in the Target Fund which are denominated in EUR and GBP. The Investment Manager does not intend to hedge the currency exposure of holders of EUR and GBP denominated classes of Shares against the base currency of USD. In such circumstances these classes of Shares shall be exposed to fluctuations between the class currency and the base currency. Upon the subscription for, redemption and exchange of and distributions from the EUR and GBP denominated classes of Shares currency exchanges will be made back to the base currency at the prevailing exchange rate. The value of EUR and GBP denominated classes of Shares will be subject to an exchange rate risk in relation to the base currency.

Borrowing and Lending Powers

The Company may borrow up to 10% of the Target Fund's net asset value at any time for the account of any fund of the Company and the directors of the Company may instruct the Depositary to charge the assets of such Fund as security for any such borrowing, provided this borrowing is on a temporary basis. Credit balances (e.g. cash) may not be offset against borrowings when determining the percentage of borrowings outstanding. Without prejudice to the powers of the Company to invest in transferable securities, money market instruments and other financial instruments referred to in the "Permitted Investments" section of the Target Fund above, the Company may not lend to, or act as guarantor on behalf of, third parties. The Target Fund may acquire debt securities and securities which are not fully paid.

The Target Fund may acquire foreign currency by means of a back-to-back loan agreement. Foreign currency obtained in this manner is not classified as borrowings for the purposes of the Regulations, provided that the offsetting deposit is denominated in the base currency of the Target Fund and equals or exceeds the value of the foreign currency loan outstanding. However, where foreign currency borrowings exceed the value of the back-to-back deposit, the Management Company shall ensure that any excess is regarded as borrowing for the purpose of this restriction.

RISK MANAGEMENT PROCESS OF THE TARGET FUND

The Company may, on behalf of the Target Fund and subject to the conditions and within the limits laid down by the Central Bank, employ techniques and instruments relating to transferable securities and/or other financial instruments in which it invests for investment or hedging purposes (to protect the Target Fund's unrealised gains by hedging against possible adverse fluctuations in the securities markets or changes in interest rates or currency exchange rates that may reduce the market value of the Target Fund's investment portfolio) or for efficient portfolio management purposes.

Where the Target Fund invests in FDI for investment or hedging purposes or for the purposes of efficient portfolio management, the Management Company will employ a risk management process on behalf of the Target Fund which enables it to accurately measure, monitor and manage the various risks associated with FDI. The Management Company must employ a risk management process on behalf of the Target Fund for accurate and independent assessment of the value of OTC derivatives. Before investing in any FDIs on behalf of the Target Fund, the Management Company must file a risk management process report with the Central Bank and, in accordance with particular requirements of the Central Bank, shall specify, for that purpose, the types of derivative instruments, the underlying risks, the quantitative limits and the methods which are chosen in order to estimate the risks associated with transactions in any derivative instruments applicable to the Target Fund. The Management Company will ensure that the Target Fund's global exposure to FDIs does not exceed the total net asset value of its portfolio and that counterparty risk exposure to any OTC derivative transactions never exceeds the limits permitted under the Regulations. The Management Company will manage and monitor exposure arising from the use of FDI using the commitment approach.

The Company may engage in such techniques for the reduction of risk, cost or the generation of additional capital or income for the Target Fund with an appropriate level of risk, taking into account the risk profile of the Company.

The use of techniques for efficient portfolio management is not expected to raise the risk profile of the Target Fund or result in higher volatility.

Additional Information

For the purpose of investment in respect of the Target Fund, the Target Fund has confirmed the following:

- 1) The value of the Target Fund's investments in transferable securities and money market instruments issued by any single issuer will not exceed 15% of the Target Fund's NAV.
- 2) The aggregate value of the Target Fund's investments in transferable securities, money market instruments, deposits, OTC derivatives and structured products issued by or placed with, as the case may be, any single issuer/institution must not exceed 25% of the Target Fund's NAV.
- 3) The credit rating for the counterparty of OTC derivatives will be at least investment grade. In the event the rating of the counterparty falls below the minimum required, or the counter-party ceases to be rated, the Investment Manager should, within 6 months or sooner, takes the necessary action to ensure that the requirements are complied with.
- 4) The Target Fund may borrow cash for the purpose of meeting repurchase requests for shares and for short-term bridging requirements only. The aggregate borrowings of the Target Fund will not exceed 10% of the Target Fund's NAV at the time the borrowing is incurred. The borrowing period will not exceed one month, and the Target Fund will only borrow from financial institutions.
- 5) The Target Fund will observe the concentration limits below:
 - The Target Fund's investments in transferable securities (other than debt securities) must not exceed 10% of the securities issued by any single issuer.
 - The Target Fund's investments in debt securities must not exceed 20% of the debt securities issued by any single issuer.
 - Other than money market instruments that do not have a pre-determined issue size, the Target Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issuer.
 - The Target Fund's investments in CIS must not exceed 25% of the units/shares in any one CIS.
- 6) The Investment Manager should not make any further acquisition to which the relevant limit is breached, and the Investment Manager should, within reasonable period of not more than 3 months from the date of breach, take all necessary steps and action to rectify the breach. The 3 month period may be extended if the trustee or the internal compliance of the Investment Manager is of the view that it is in the best interests of unit holders.
- 7) Where the Target Fund invests in another CIS that is operated by the same Investment Manager or its related corporation, the Investment Manager will ensure that-
 - (a) there is no cross-holding between the Target Fund and the other CIS;
 - (b) all initial charges on the other CIS is waived; and
 - (c) the management fee must only be charged once, either at the Target Fund or the other CIS.
- 8) The Target Fund will only undertake securities lending (including sale and repurchase and reverse repurchase) activities for the purpose of efficient portfolio management.
- 9) The Target Fund will only invest in derivatives where the global exposure of such derivatives is calculated using the commitment approach methodology.
- 10) The Target Fund's investments in other CIS will generally comply with the above investment limits.
- 11) The Target Fund may not acquire any asset or engage in any transaction which involves the assumption of any liability which is unlimited.

FEES AND CHARGES OF TARGET FUND

Fees and Charges	Rate
Management Company Fee	Up to 0.03% per annum of the net asset value of the Target Fund.
Annual Investment Management Fee	Up to 0.60% per annum of the net asset value of the Target Fund. <i>Please note that management fee will only be charged once at the Fund level. The management fee charged by the Target Fund will be paid out of the annual management fee charged by us at the Fund level. There is no double charging of management fee.</i>
Preliminary Charge	Nil. <i>Please note that the Fund will not be charged the preliminary charge when it invests in the Target Fund.</i>

Fees and Charges	Rate
Repurchase Charge	Nil. <i>Please note that the Fund will not be charged the repurchase charge when it redeems from the Target Fund.</i>
Exchange Charge	Up to 0.40% of the net asset value per share of the Target Fund. <i>Please note that the Fund will not be charged the exchange charge when it switches to other share classes of the Target Fund.</i>
Depository Fee	Up to 0.0125% of the net asset value per share of the Target Fund.
Administrator Fee	Up to 0.04% of the net asset value per share of the Target Fund.

You may be subjected to higher fees arising from the layered investment structure of a feeder fund.

REDEMPTION PROCESS AND REDEMPTION LIMIT OF THE TARGET FUND

For applications for repurchase on the Target Fund, payment for the repurchase requests will normally require two business days after the Dealing Day, following the receipt of the relevant duly signed and completed repurchase documentation, and further provided that all required documentation has been furnished to and received by the Administrator. While the redemption payment terms are the same for all investors of the Target Fund, due to time zone differences and international bank opening hours redemption payments in certain currencies may be processed by the Company within two business days of the relevant Dealing Day but not received by an investor (including the Fund) until three business days after the Dealing Day.

The Company may not repurchase Shares during any period when the calculation of the net asset value of the Target Fund is suspended in the manner described in the section “*Suspension of Calculation of Net Asset Value of the Target Fund*” below. Applicants for repurchases of Shares will be notified of such postponement and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension.

The directors of the Company are entitled to limit the number of Shares repurchased on any Dealing Day to Shares representing 10% of the total net asset value of the Target Fund in issue on that Dealing Day. In this event, the limitation will apply *pro rata* so that all Shareholders wishing to have Shares repurchased on that Dealing Day realise the same proportion of such Shares. Shares not repurchased, but which would otherwise have been repurchased, will be carried forward for repurchase on the next Dealing Day. If requests for repurchase are so carried forward, the Administrator will inform the Shareholders affected.

Where a repurchase request received from a Shareholder would result in Shares representing more than 5% of the net asset value of Shares in issue in the Target Fund being repurchased on any Dealing Day, the Company may satisfy the repurchase request by a distribution of investments of the Target Fund *in specie* provided that such a distribution would not be prejudicial to the interests of the remaining Shareholders of the Target Fund. Where the Shareholder requesting such repurchase receives notice of the Company’s intention to elect to satisfy the repurchase request by such a distribution of assets that Shareholder may require the Company instead of transferring those assets to arrange for their sale and the payment of the proceeds of sale to that Shareholder less any costs incurred in connection with such sale.

The Company cannot effect a repurchase of Shares, if after payment of any amount in connection with such repurchase, the net asset value of the issued share capital of the Company would be equal to or less than €40,000 or its foreign currency equivalent. This will not apply to a repurchase request accepted by the directors of the Company in contemplation of the dissolution of the Company.

COMPULSORY REDEMPTION ON THE TARGET FUND

The Company may compulsorily repurchase all of the Shares of the Target Fund if the net asset value of the Target Fund is less than the minimum fund net asset value of \$500,000 (subject to the discretion of the Directors to allow lesser amounts).

Where a Shareholder makes a repurchase request which brings his holding below the minimum shareholding of Shares, the directors of the Company are entitled to compulsorily repurchase all of the Shares held by that Shareholder.

SUSPENSION OF CALCULATION OF NET ASSET VALUE OF THE TARGET FUND

The directors of the Company may at any time temporarily suspend the calculation of the net asset value of the Target Fund and the issue, repurchase and exchange of Shares and the payment of repurchase proceeds during:

- (i) any period when any of the Markets on which a substantial portion of the investments of the Target Fund from time to time are quoted is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; or
- (ii) any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the directors of the Company, disposal or valuation of a substantial portion of the investments of the Target Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the Target Fund or if, in the opinion of the directors of the Company, the net asset value of the Target Fund cannot be fairly calculated; or
- (iii) any breakdown in the means of communication normally employed in determining the price of a substantial portion of the investments of the Target Fund or when for any other reason the current prices on any Market of any of the investments of the Target Fund cannot be promptly and accurately ascertained; or
- (iv) any period during which any transfer of funds involved in the realisation or acquisition of investments of the Target Fund cannot, in the opinion of the directors of the Company, be effected at normal prices or rates of exchange; or
- (v) any period when the Company is unable to repatriate funds required for the purpose of making payments due on the repurchase of Shares in the Target Fund; or
- (vi) any period when the directors of the Company consider it to be in the best interest of the Target Fund; or
- (vii) following the circulation to Shareholders of a notice of a general meeting at which a resolution proposing to wind up the Company or terminate the Target Fund is to be considered.

Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

Shareholders who have requested issue or repurchases of Shares of any class or exchanges of Shares of one class to another will be notified of any such suspension in such manner as may be directed by the directors of the Company and, unless withdrawn but subject to the limitation referred to above, their requests will be dealt with on the first relevant Dealing Day after the suspension is lifted. Any such suspension will be notified without delay on the same business day of the Target Fund to the Central Bank and will be communicated without delay to the competent authorities in the Member States in which the Company markets its Shares. Details of any such suspension will also be notified to all Shareholders and will be published in a newspaper circulating in the EU, or such other publications as the directors of the Company may determine if, in the opinion of the directors of the Company, it is likely to exceed 14 days.

This Prospectus describes the features of the Target Fund in accordance with the Target Fund Prospectus and we recommend that this Prospectus should be read in conjunction with the Target Fund Prospectus which is available at the business address of the Manager as stated in section “Documents Available for Inspection”. We take all reasonable efforts to ensure the accuracy of the disclosure in this Prospectus in relation to the Target Fund, including obtaining the confirmation from the Management Company. However, in the event of any inconsistency or ambiguity in relation to the disclosure, including any word or phrase used in this Prospectus regarding the Target Fund as compared to the Target Fund Prospectus, the Target Fund Prospectus shall prevail.

SALIENT TERMS OF THE DEED

Generally an investor would also be a registered Unit Holder unless the Units are purchased through an IUTA or using a nominee. In such an instance, the Units may not be registered in the name of the investor and thus not a registered Unit Holder. Please be advised that the Manager only recognises the rights attached to a registered Unit Holder.

Rights and Liabilities of Unit Holders

Rights of Unit Holders

You have the right, among others, to the following:

- to receive distribution of income (if any) and/or capital, participate in any increase in the value of the Units and to enjoy such other rights and privileges as are provided for in the Deed;
- to call for Unit Holders' meetings, and to vote for the removal of the Trustee or the Manager through a Special Resolution;
- to exercise the cooling-off right (if applicable); and
- to receive annual and semi-annual reports.

You are not entitled to request for the transfer of any of the assets of the Fund or be entitled to interfere with or question the exercise by the Trustee, or the Manager on the Trustee's behalf, of the rights of the Trustee as the registered owner of such assets. In amplification and not in derogation of the aforesaid, Units held shall not confer on any Unit Holder any interest in any assets of the Fund but only in such interest in the Fund as a whole as may be conferred on Unit Holders by the provisions of the Deed.

Liabilities of Unit Holders

- You would not be liable for any amount in excess of the purchase price paid for the Units as determined in accordance with the Deed at the time the Units were purchased and any charges payable in relation thereto; and
- You shall not be under any obligation to indemnify the Manager and/or the Trustee in the event that the liabilities incurred by the Manager and/or the Trustee in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of the assets of the Fund and any right of indemnity of the Manager and/or the Trustee shall be limited to recourse to the Fund.

Provisions Regarding Unit Holders' Meetings

Quorum Required For Convening A Unit Holders' Meeting

- (a) The quorum required for a meeting of the Unit Holders shall be five (5) Unit Holders (irrespective of the Class), whether present in person or by proxy, however, if the Fund or a Class has five (5) or less Unit Holders (irrespective of the Class), the quorum required for a meeting of the Unit Holders of the Fund or a Class shall be two (2) Unit Holders (irrespective of the Class), whether present in person or by proxy.
- (b) If the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty five per centum (25%) of the Units in Circulation (irrespective of the Class) of the Fund or the particular Class, as the case may be, at the time of the meeting.
- (c) If the Fund or a Class has only one (1) remaining Unit Holder (irrespective of the Class), such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders of the Fund or a Class (irrespective of the Class).

Unit Holders' Meeting Convened By Unit Holders

Unless otherwise required or allowed by the relevant laws, the Manager shall, within twenty-one (21) days of receiving a direction from not less than fifty (50) or one-tenth (1/10) of all the Unit Holders of the Fund or of a particular Class, as the case may be, whichever is less, summon a meeting of the Unit Holders of the Fund or of that Class by:

- sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders of the Fund or Unit Holders of a particular Class, as the case may be, at the Unit Holders' last known address or, in the case of Jointholders, to the Jointholder whose name stands first in the records of the Manager at the Jointholder's last known address;

- publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities; and
- specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting.

The Unit Holders may direct the Manager to summon a meeting for any purpose including, without limitation, for the purpose of:

- requiring the retirement or removal of the Manager;
- requiring the retirement or removal of the Trustee;
- considering the most recent financial statements of the Fund;
- giving to the Trustee such directions as the meeting thinks proper; or
- considering any matter in relation to the Deed;

provided always that the Manager shall not be obliged to summon any such meeting unless a direction has been received from not less than fifty (50) or one-tenth (1/10), whichever is less, of all the Unit Holders of the Fund or the Unit Holders of a particular Class, as the case may be.

Unit Holders' Meeting Convened By Manager

The Manager may for any purpose whatsoever summon a meeting of the Unit Holders by sending by post at least fourteen (14) days before the date of the proposed meeting, or such other time as may be prescribed by the relevant laws, a notice of the proposed meeting to all the Unit Holders. All such notices and advertisement to the Unit Holders shall specify the place, time and terms of the resolutions to be proposed.

Unit Holders' Meeting Convened By Trustee

The Trustee may summon a Unit Holders' meeting in the event:

- the Manager is in liquidation;
- in the opinion of the Trustee, the Manager has ceased to carry on business;
- in the opinion of the Trustee, the Manager has, to the prejudice of Unit Holders, failed to comply with the Deed or contravened any of the provisions of the CMSA;
- requiring the retirement or removal of the Manager;
- giving instructions to the Trustee or the Manager if the Trustee considers that the investment management policies of the Manager are not in the interests of Unit Holders;
- securing the agreement of the Unit Holders to release the Trustee from any liability;
- deciding on the next course of action after the Trustee has suspended the sale and repurchase of Units pursuant to clause 6.9.3 of the Deed; or
- deciding on the reasonableness of the annual management fee charged to the Fund or each Class.

The meeting of the Unit Holders summoned by the Trustee shall be summoned by:

- sending by post at least twenty-one (21) days before the date of the proposed meeting a notice of the proposed meeting to each of the Unit Holders at the Unit Holder's last known address or, in the case of jointholders, to the jointholder whose name stands first in the records of the Manager at the jointholder's last known address; and
- publishing at least twenty-one (21) days before the date of the proposed meeting an advertisement giving notice of the meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities.

Termination of the Fund

Circumstances That May Lead to the Termination of the Fund

The Fund may be terminated or wound up as provided for under the Deed and the Guidelines as follows:-

- The SC has withdrawn the authorisation of the Fund pursuant to Section 256E of the CMSA; or
- A Special Resolution is passed at a Unit Holders' meeting to terminate or wind up the Fund.

Notwithstanding the aforesaid, the Manager may, in its sole discretion and without having to obtain the prior approval of the Unit Holders, determine the trust hereby created and wind up the Fund upon the occurrence of any of the following events:

- (a) if any new law shall be passed which renders it illegal; or
- (b) if in the reasonable opinion of the Manager it is impracticable or inadvisable to continue the Fund and the termination of the Fund is in the best interests of the Unit Holders.

If the Fund is left with no Unit Holders, the Manager shall also be entitled to terminate the Fund.

Termination of a Class

A Class may be terminated if a Special Resolution is passed at a meeting of Unit Holders of that Class to terminate the Class provided always that such termination does not prejudice the interests of any other Class.

Notwithstanding the aforesaid, the Manager may, in its sole discretion and without having to obtain the prior approval of the Unit Holders, terminate a Class upon the occurrence of any of the following events:

- (a) if any new law shall be passed which renders it illegal; or
- (b) if in the reasonable opinion of the Manager it is impracticable or inadvisable to continue a Class and the termination of a Class is in the best interests of the Unit Holders.

If a Class is left with no Unit Holders, the Manager shall also be entitled to terminate the Class.

Retirement, Removal or Replacement of the Manager

The Manager shall have the power to retire in favour of some other corporation and as necessary under any relevant law upon giving to the Trustee twelve (12) months' notice in writing of its desire so to do, or such shorter period as the Manager and the Trustee may agree upon, and subject to the fulfilment of the following conditions:

- the retiring Manager shall appoint such corporation by writing under the seal of the retiring Manager as the management company of the Fund in its stead and assign and transfer to such corporation all its rights and duties as management company of the Fund;
- such corporation shall enter into such deed or deeds as are referred to in clause 2.3.2 of the Deed; and
- upon the payment to the Trustee of all sums due from the retiring Manager to the Trustee under the Deed at the date of such retirement, the retiring Manager shall be absolved and released from all further obligations under the Deed but without prejudice to the rights of the Trustee or any Unit Holder or other person in respect of any act or omission on the part of the retiring Manager prior to such retirement and the new management company may and shall thereafter exercise all the powers and enjoy all the rights and shall be subject to all the duties and obligations of the Manager under the Deed as fully as though such new management company had been originally a party to the Deed.

Subject to the provisions of any relevant law, the Trustee shall take all reasonable steps to remove the Manager:

- if the Manager has failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interests of Unit Holders for the Trustee to do so after the Trustee has given notice to the Manager of that opinion and the reasons for that opinion, and has considered any representations made by the Manager in respect of that opinion, and after consultation with the relevant authorities and with the approval of the Unit Holders by way of a Special Resolution;
- unless expressly directed otherwise by the relevant authorities, if the Manager is in breach of any of its obligations or duties under the Deed or the relevant laws, or has ceased to be eligible to be a management company under the relevant laws; or
- if the Manager has gone into liquidation, except for the purpose of amalgamation or reconstruction or some similar purpose, or has had a receiver appointed or has ceased to carry on business;

and the Manager shall not accept any extra payment or benefit in relation to such removal.

In any of the events set out above, the Manager shall upon receipt of a written notice from the Trustee ipso facto cease to be the management company of the Fund. The Trustee shall, at the same time, by writing appoint some other corporation approved by the relevant authorities to be the management company of the Fund; such corporation shall have entered into such deed or deeds as the Trustee may consider to be necessary or desirable to secure the due performance of its duties as management company for the Fund.

Retirement, Removal or Replacement of the Trustee

The Trustee may retire upon giving twelve (12) months' notice in writing to the Manager of its desire so to do, or such shorter period as the Manager and the Trustee shall agree, and may by deed appoint in its stead a new trustee approved by the relevant authorities and under any relevant law.

Provided always that the Manager has in place a corporation approved by the relevant authorities to act as the trustee of the Fund, the Trustee may be removed and such corporation may be appointed as trustee of the Fund by Special Resolution of the Unit Holders at a duly convened meeting.

The Manager shall take all reasonable steps to replace a Trustee as soon as practicable after becoming aware that:

- the Trustee has ceased to exist;
- the Trustee has not been validly appointed;
- the Trustee was not eligible to be appointed or to act as trustee under any relevant law;
- the Trustee has failed or refused to act as trustee in accordance with the provisions or covenants of the Deed or any relevant law;
- a receiver has been appointed over the whole or a substantial part of the assets or undertaking of the Trustee and has not ceased to act under the appointment;
- a petition has been presented for the winding up of the Trustee (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the Trustee becomes or is declared to be insolvent); or
- the Trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 2016 or any relevant laws.

Fees and Charges

Below are the maximum fees and charges permitted by the Deed:

	USD Class	MYR Class	MYR Hedged -class	SGD Hedged -class	AUD Hedged -class	GBP Hedged -class	EUR Hedged -class	RMB Hedged -class
Sales Charge	6.00% of the NAV per Unit.							
Repurchase Charge	6.00% of the NAV per Unit.							
Annual Management Fee	5.00% per annum of the NAV of the Fund.							
Annual Trustee Fee	0.10% per annum of the NAV of the Fund (excluding foreign custodian fees and charges).							

Increase of Fees and Charges Stated in this Prospectus

The maximum Sales Charge and Repurchase Charge set out in this Prospectus can only be increased if the Manager has notified the Trustee in writing of the higher charge and the effective date for the higher charge.

The maximum annual management fee and annual trustee fee set out in this Prospectus can only be increased if the Manager has come to an agreement with the Trustee on the higher rate. The Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective and such time as may be prescribed by any relevant law shall have elapsed since the notice is sent.

The supplemental/replacement prospectus proposing a modification to this Prospectus to increase the aforesaid maximum fees and charges is required to be registered, lodged and issued. An increase in the abovementioned fees and charges is allowed if such time as may be prescribed by any relevant laws has elapsed since the effective date of the supplemental/replacement prospectus.

Increase of Fees and Charges Stated in the Deed

The maximum Sales Charge, Repurchase Charge, annual management fee and annual trustee fee set out in the Deed can only be increased if a Unit Holders' meeting has been held in accordance with the Deed. Thereafter, a supplemental deed proposing a modification to the Deed to increase the aforesaid maximum charges and fees is required to be submitted for registration with the SC accompanied by a resolution of not less than two-thirds (2/3) of all Unit Holders present and voting at the Unit Holders' meeting sanctioning the proposed modification to the Deed.

Permitted Expenses under the Deed

Only the expenses (or part thereof) which are directly related and necessary to the operation and administration of the Fund or each Class may be charged to the Fund or each Class respectively. These would include (but are not limited to) the following:

- commissions or fees paid to brokers/dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- taxes and other duties charged on the Fund by the government and/or other authorities;
- costs, fees and expenses properly incurred by the auditor appointed for the Fund;
- costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;
- costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund;
- costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
- costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund;
- costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- costs, fees and expenses incurred in the termination of the Fund or a Class or the removal of the Trustee or the Manager and the appointment of a new trustee or management company;
- costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund or commenced by either of them for the benefit of the Fund or a Class (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund);
- remuneration and out of pocket expenses of the person(s) or committee undertaking the oversight function of the Fund, unless the Manager decides otherwise;
- costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority;
- costs and expenses incurred in relation to the distribution of income and/or capital (if any);
- (where the custodial function is delegated by the Trustee) charges and fees paid to the sub-custodians for taking into custody any foreign assets of the Fund;
- fees, charges, costs and expenses relating to the preparation, printing, posting, registration and/or lodgement of documents and reports which the Manager and/or the Trustee may be obliged to prepare, print, post, register and/or lodge in relation to the Fund by virtue of any relevant law;
- costs, fees and expenses incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent; and
- any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred as mentioned above.

THE MANAGER

ABOUT AHAM

AHAM was incorporated in Malaysia on 2 May 1997 and began its operations under the name Hwang-DBS Capital Berhad in 2001. AHAM has more than 20 years' experience in the fund management industry. In 2022, AHAM's ultimate major shareholder is CVC Capital Partners Asia Fund V, a private equity fund managed by CVC Capital Partners ("CVC"), which has approximately 68.35% controlling interest in AHAM. CVC is a global private equity and investment advisory firm with approximately EUR193 billion of assets under its management. AHAM is also 20% owned by Nikko Asset Management Co., Ltd., a Tokyo-based asset management company, and 7% owned by Lembaga Tabung Angkatan Tentera.

AHAM distributes its funds through the following various channels:

- In-house/internal sales team;
- IUTA and CUTA ; and
- Unit trust consultants.

AHAM's head office is located in Kuala Lumpur and has a total of eight (8) main sales offices located in Peninsular and East Malaysia. The sales offices are in Petaling Jaya, Penang, Ipoh, Johor Bahru, Melaka, Kuching, Miri and Kota Kinabalu.

Roles, Duties and Responsibilities of AHAM

AHAM is responsible for the investment management and marketing of the Fund, servicing Unit Holders' needs, keeping proper administrative records of Unit Holders and the Fund and ensuring compliance with stringent internal procedures and guidelines of relevant authorities.

Key Personnel

Dato' Teng Chee Wai – Managing Director

Dato' Teng is the founder of AHAM. In his capacity as the managing director and executive director of AHAM, Dato' Teng manages the overall business and strategic direction as well as the management of the investment team. His hands on approach sees him actively involved in investments, product development and marketing. Dato' Teng's critical leadership and regular participation in reviewing and assessing strategies and performance has been pivotal in allowing AHAM to successfully navigate the economically turbulent decade. Dato' Teng's investment management experience spans more than thirty (30) years, and his key area of expertise is in managing absolute return mandates for insurance assets and investment-linked funds in both Singapore and Malaysia. Prior to his current appointments, he was the assistant general manager (investment) of Overseas Assurance Corporation (OAC) and was responsible for the investment function of the Group Overseas Assurance Corporation Ltd. Dato' Teng began his career in the financial industry as an investment manager with NTUC Income, Singapore. He is a Bachelor of Science graduate from the National University of Singapore and has a Post-Graduate Diploma in Actuarial Studies from City University in London.

Mr. David Ng Kong Cheong – Chief Investment Officer

Mr David joined AHAM in 2002 as Head of Equities and assumed the role of Chief Investment Officer in September 2006. He has been responsible for successfully steering AHAM's investments through a tumultuous decade of multiple crisis. His astute and decisive guidance on broad investment strategies which includes interpreting market signals and making timely asset allocation calls has allowed AHAM to remain ahead of its peers. A decade later, he has built the investment team from just four (4) fund managers to a forty (40) strong group of fund managers featuring an impressive resume across different investment specialties, coverage and geographies. Under his foresight and vision, the team has evolved from being equity-heavy to encompass strong local and regional multi-asset and sector investment capabilities. His absolute return investment philosophy and bottom-up stock selection technique has garnered recognition for AHAM with its multiple award wins, having been voted "CIO of the Year" for Malaysia by Asia Asset Management 2013 awards. Mr David's philosophy of subscribing to the long-term, not taking excessive risk, and investing into quality throughout all the portfolios has set the blueprint for AHAM's investments in years to come. He is well-known in the industry for his discipline, prudence and reasonable attitude to investing. He graduated with a double degree in Bachelor of Commerce (Accounting) and Bachelor of Law from Monash University in Melbourne, Australia and is also a Chartered Financial Analyst (CFA) charterholder.

For further information and any updated information on AHAM including material litigation (if any), the Board, the designated fund manager of the Fund and/or AHAM's delegate, you may obtain the details from our website at www.aham.com.my.

THE TRUSTEE

ABOUT TMF TRUSTEES MALAYSIA BERHAD

TMF Trustees Malaysia Berhad was incorporated in Malaysia on 1 April 2003 and registered as a trust company under the Trust Companies Act 1949 on 9 October 2003. Its registered office and business address is at Level 13, Menara 1 Sentrum, 201, Jalan Tun Sambanthan, Brickfields, 50470, Kuala Lumpur, Malaysia. The Trustee is part of TMF Group, an independent global service provider in the trust and fiduciary sector. The group has more than 125 offices in over 83 jurisdictions in the world. TMF Group started in Malaysia in 1992 with its first office in Labuan International Business Financial Centre (IBFC), providing trust and fiduciary services. The Kuala Lumpur office was established in 2003 to support the Labuan office in servicing Malaysian clients and to undertake domestic trust business.

The Trustee provides various types of trustee business, such as trustee and security trustee for private debt securities (PDS), corporate administrator to asset-backed securities (ABS), trustee for unit trust funds & private trust and custodian for private fund mandate. The TMF Group provides a more comprehensive range of corporate secretarial services, financial accounting, human resource administrative and payroll outsourcing services.

DUTIES AND RESPONSIBILITIES OF THE TRUSTEE

The Trustee's main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit Holders of the Fund. In carrying out these functions and duties, the Trustee has to exercise all due care, skills, diligence and vigilance and is required to act in accordance with the provisions of the Deed, all relevant laws and the Guidelines. Apart from being the legal owner of the Fund's assets, the Trustee is also responsible for ensuring that AHAM performs its duties and obligations in accordance with the provisions of the Deed, all relevant laws and the Guidelines.

TRUSTEE'S DELEGATE

The Trustee has appointed Standard Chartered Bank Malaysia Berhad ("SCBMB") as the custodian of the quoted and unquoted investments of the Fund. SCBMB was incorporated in Malaysia under the same name on 29 February 1984 under the Companies Act 1965 (now known as Companies Act 2016) as a public limited company and is a direct subsidiary of Standard Chartered Bank (Singapore) Limited and an indirect subsidiary of Standard Chartered PLC (the holding company of a global banking group). SCBMB was granted a license on 1 July 1994 under the Banking and Financial Institution Act 1989 (now known as Financial Services Act 2013).

SCBMB is responsible for the Fund's assets settlement and custodising the Fund's asset. The assets are held in the name of the Fund through the custodian's wholly owned subsidiary and nominee company, Cartaban Nominees (Tempatan) Sdn Bhd. All investments are automatically registered into the name of the Fund. The custodian acts only in accordance with the instructions from the Trustee.

TRUSTEE'S DISCLOSURE OF MATERIAL LITIGATION AND ARBITRATION

As at LPD, the Trustee is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Trustee.

RELATED PARTIES TRANSACTION AND CONFLICT OF INTEREST

AHAM has in place policies and procedures to deal with any conflict of interest situations. In making an investment transaction for the Fund, AHAM will not make improper use of its position in managing the Fund to gain, directly or indirectly, any advantage or to cause detriment to the interests of Unit Holders. Where the interests of the directors or the person(s) or members of a committee undertaking the oversight function's interests may conflict with that of the Fund, they are to refrain from participating in the decision-making process relating to the matter. Staff of AHAM are required to seek prior approval for personal investments before dealing in securities.

All transactions with related parties are to be executed on terms which are best available to the Fund and which are no less favourable to the Fund than an arm's length transaction between independent parties. Such transactions may include dealings on sale and purchase of securities and instruments by the Fund and holding of units in the Fund by related parties.

The tax advisers and solicitors have confirmed that they do not have any existing or potential conflict of interest with AHAM and/or the Fund.

TAXATION OF THE FUND

6 May 2025

The Board of Directors
AHAM Asset Management Berhad
Ground Floor, Menara Boustead
69, Jalan Raja Chulan
50200 Kuala Lumpur

AHAM World Series – Asia ex China Equity Fund **Taxation of the Fund and Unit Holders**

1. This letter has been prepared for inclusion in the Prospectus in connection with the offer for sale of units in the AHAM World Series – Asia ex China Equity Fund (hereinafter referred to as “the Fund”).

The following is general information based on Malaysian tax law in force at the time of lodging the Prospectus with the Securities Commission Malaysia (“SC”) and investors should be aware that the tax law may change at any time. The application of tax law depends upon an investor’s individual circumstances. The information provided below does not constitute tax advice. The Manager therefore recommends that investors consult their tax adviser regarding the specific application of the tax law relating to their specific tax position.

2. Taxation of the Fund

2.1 Income Tax

As the Fund’s Trustee is a tax resident in Malaysia, the Fund is regarded as a tax resident in Malaysia. The taxation of the Fund is governed principally by Sections 61 and 63B of the Malaysian Income Tax Act, 1967 (“MITA”).

Pursuant to the Section 2(7) of MITA, any reference to interest shall apply, mutatis mutandis, to gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of Shariah. The effect of this is that any gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of Shariah, will be accorded the same tax treatment as if they were interest.

The income of the Fund in respect of dividends, interest or profits from deposits and other investment income (other than income which is exempt from tax) derived from or accruing in Malaysia or received in Malaysia from outside Malaysia is liable to income tax. The Fund may be receiving income such as exit fee which will be subject to tax at the prevailing tax rate applicable on the Fund. Section 61(1)(b) of MITA provides that gains arising from the realisation of investments shall be treated as income of the trust body of the trust as gains or profits from the disposal of a capital asset, provided that such gains are not related to real property as defined under the Real Property Gains Tax (“RPGT”) Act, 1976.

The income tax rate applicable to the Fund is 24%.

Tax exempt interest as listed in the Appendix attached received by the Fund are not subject to income tax.

With effect from 1 January 2014, Malaysia has fully moved to a single-tier income tax system. The Fund is not liable to tax on any Malaysia sourced dividends paid, credited or distributed to the Fund under the single-tier tax system, where the company paying such dividend is not entitled to deduct tax under the MITA. The tax deductibility of other deductions by the Fund against such dividend income will be disregarded in ascertaining the chargeable income of the Fund.

In addition to the single-tier dividend that may be received by the Fund, the Fund may also receive Malaysian dividends which are tax exempt from investments in companies which had previously enjoyed or are currently enjoying various tax incentives provided under the laws of Malaysia. The Fund is not subject to income tax on such tax exempt dividend income.

The tax treatment of hedging instruments would depend on the particular hedging instruments entered into. Generally, any gain or loss relating to the principal portion will be treated as capital gain or loss. Gains or losses relating to the income portion would normally be treated as revenue gains or losses. The gain or loss on revaluation will only be taxed or claimed upon realisation. Any gain or loss on foreign exchange is treated as capital gain or loss if it arises from the revaluation of the principal portion of the investment.

Generally, income from distribution by the Malaysia Real Estate Investment Trusts (“REITs”) will be received net of withholding tax of 10%. No further tax will be payable by the Fund on the distribution. Distribution from such income by the Fund will also not be subject to further tax in the hands of the Unit Holders.

Expenses being manager’s remuneration, maintenance of register of Unit Holders, share registration expenses, secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage, which are not allowed under the general deduction rules, qualify for a special deduction at the minimum of 10% of such expenses pursuant to Section 63B of the MITA.

2.2 Foreign-Sourced Income

The Fund may also receive interest, dividends, profits and other income from investments derived from sources outside of Malaysia. Prior to 1 January 2022, income arising from sources outside Malaysia and received in Malaysia was exempted from Malaysian income tax pursuant to Paragraph 28 of Schedule 6 of the MITA. Effective from 1 January 2022, Paragraph 28 of Schedule 6 of the MITA was amended to only exempt a non-resident person from foreign sourced income received in Malaysia. Unit trusts funds with a trustee who is tax resident in Malaysia are considered tax residents of Malaysia and would not qualify for the exemption under the amended Paragraph 28 of Schedule 6 of the MITA.

The Ministry of Finance of Malaysia (“MoF”) issued Income Tax (Exemption) (No. 5) Order 2022 [P.U.(A) 234/2022] and Income Tax (Exemption) (No. 6) Order 2022 [P.U.(A) 235/2022] both dated 19 July 2022 and took effect from 1 January 2022. Certain paragraphs in P.U.(A) 235/2022 have further been amended via Income Tax (Exemption) (No. 6) Order 2022 (Amendment) Order 2024 [P.U.(A) 157/2024] dated 12 June 2024. The orders grant exemption on foreign sourced income as follows:

- Dividend income received by companies, limited liability partnerships and companies incorporated under the Labuan Companies Act 1990 which have made an election under Section 3A of the Labuan Business Activity Tax Act 1990 to be charged to tax in accordance with the MITA; and
- All types of foreign sourced income received by individuals, except for those carrying on a partnership business in Malaysia.

However, as the unit trust fund is not a “company”, “limited liability partnership” or “individual”, the above gazette orders do not apply to unit trust funds. As such, the income of the Fund which is received in Malaysia from outside Malaysia during the period 1 January 2022 until 30 June 2022 is subject to tax at the rate of 3% on gross foreign sourced income received in Malaysia. Foreign sourced income received in Malaysia from 1 July 2022 onwards will be taxed based on the prevailing income tax rate applicable to the Fund, i.e. 24%.

On 20 September 2024, the MoF issued the Income Tax (Unit Trust in relation to Income Received in Malaysia from Outside Malaysia) (Exemption) Order 2024 [P.U.(A) 250/2024] which exempts qualifying unit trust from the payment of income tax in respect of all sources of income under section 4 of the MITA which is received in Malaysia from outside Malaysia, effective from 1 January 2024 to 31 December 2026.

Qualifying unit trust shall be a unit trust resident in Malaysia managed by a management company but does not include a unit trust which is approved by the Securities Commission as REIT or Property Trust Fund listed on Bursa Malaysia.

The qualifying unit trust or the management company of the qualifying unit trust shall comply with the conditions imposed by the MoF as specified in the guidelines issued by the Inland Revenue Board of Malaysia (“IRBM”), which shall include the following conditions:-

- (a) the gross income has been subjected to tax at the minimum of 15% under the law of the territory which the income arises; or
- (b) the management company of the qualifying unit trust shall employ an adequate number of employees in Malaysia and incur an adequate amount of operating expenditure in Malaysia.

The foreign sourced income of the Fund may be subject to foreign tax in the country from which the income is derived. In the event that the Fund does not qualify for the above foreign sourced income exemption, pursuant to Schedule 7 of the MITA, where an income is chargeable to tax in Malaysia as well as in a foreign country, a relief shall be given by way of credit known as bilateral credit if the source country has a tax treaty with Malaysia where the foreign tax credit shall be set-off up to 100% of foreign tax suffered and unilateral credit if the source country does not have a tax treaty with Malaysia where the foreign tax credit shall be set-off up to 50% of foreign tax suffered. Please note that claiming of bilateral credit and unilateral credit is subject to the approval of the Inland Revenue Board upon review of the requisite supporting documentation.

2.3 Capital Gains Tax (“CGT”)

Based on the Finance (No. 2) Act 2023, effective 1 January 2024, CGT will be imposed on gains or profits from the disposal of capital assets. CGT exemption has been provided under the MITA except for the following:

- (i) disposal of unlisted shares of a company incorporated in Malaysia;
- (ii) disposal of shares under section 15C of MITA;
- (iii) disposal of capital assets situated outside Malaysia.

However, based on the Income Tax (Exemption)(No.7) Order 2023, there is a 2-months (January 2024 and February 2024) exemption provided for disposal made on or after 1 January 2024 to 29 February 2024 in respect of disposal of shares in companies incorporated in Malaysia not listed on the stock exchange and disposal of shares under section 15C of MITA.

Following to the above, the IRBM has issued the Guidelines: Capital Gains Tax on Unlisted Shares dated 1 March 2024 (CGT Guidelines) *[Available in Bahasa Malaysia only]*.

The Income Tax (Amendment) Act 2024 which takes effect from 21 May 2024 amended the definition of "capital assets" as follows:

- (a) movable or immovable property situated outside Malaysia including any rights or interests thereof; or
- (b) movable property situated in Malaysia which is a share of a company incorporated in Malaysia not listed on the stock exchange (including any rights or interests thereof) owned by a company, limited liability partnership, trust body or co-operative society.

Income Tax (Unit Trust) (Exemption) Order 2024 [P.U.(A) 249/2024] which takes effect from 1 January 2024 to 31 December 2028 exempts qualifying unit trust resident in Malaysia (excluding unit trust which is approved by the Securities Commission as a REIT or Property Trust Fund listed on Bursa Malaysia) from the payment of income tax in respect of any gains or profit received from the disposal of shares of a company incorporated in Malaysia which is not listed on the stock exchange and from the disposal of shares under section 15C of MITA.

Nevertheless, qualifying unit trust is required to comply with any requirement to submit any return or statement of accounts or to furnish any other information under the MITA.

Foreign Capital Asset

The Income Tax (Exemption) (No. 3) Order 2024 [P.U.(A) 75/2024] provides that gains or profits from the disposal of foreign capital assets received in Malaysia by companies, limited liability partnerships, trust bodies, and co-operative societies resident in Malaysia, which are compliance according to the economic substance requirements (“ESR”), are given exemption from CGT from 1 January 2024 to 31 December 2026, was gazetted on 4 March 2024.

According to the P.U.(A) 75/2024, the ESR condition is subject to compliance with the conditions imposed by the Minister as specified in the Guideline on Tax Treatment on Gains From the Disposal of Foreign Capital Assets Received from Outside Malaysia. The ESR for the CGT exemption includes the following:

- (a) employ adequate number of employees with necessary qualifications to carry out the specified economic activities in Malaysia; and
- (b) incur adequate amount of operating expenditure for carrying out the specified economic activities in Malaysia.

Any deduction in relation to the gains or profits exempted from CGT shall be disregarded for the purpose of ascertaining the chargeable income of the company, limited liability partnership, trust body, and co-operative society.

It is worth noting that P.U.(A) 250/2024 outlined under 2.2 above exempts all sources of income under section 4 of the MITA which is received in Malaysia from outside Malaysia which should include gains from the disposal of foreign capital assets.

In the event that the Fund does not qualify for the above CGT exemptions, the applicable CGT rates are outlined as follows:-

Type of capital asset	CGT Rate
Unlisted Shares and Section 15C Shares acquired before 1 January 2024	10% on chargeable income from disposal of unlisted shares and Section 15C shares; or 2% of gross disposal price
Unlisted Shares and Section 15C Shares acquired on or after 1 January 2024	10% on chargeable income from disposal of unlisted shares and Section 15C shares
Foreign capital asset	Prevailing rate for the company, limited liability partnership, trust body or co-operative society

The Fund is required to electronically file the tax returns within 60 days from the date of each disposal. The CGT will be paid within 60 days from the date of disposal. The Fund is required to keep the records of the disposal for 7 years.

2.4 Gains on Disposal of Investments

Prior to 1 January 2024, gains on disposal of investments by the Fund, where the investments represent shares in real property companies, may be subject to RPGT under the RPGT Act, 1976. A real property company is a controlled company which owns or acquires real properties or shares in real property companies with a market value of not less than 75% of its total tangible assets. A controlled company is a company which does not have more than 50 members and is controlled by not more than 5 persons.

However, based on the Finance (No.2) Act 2023, gains from disposal of real property company shares which are held by a company, limited liability partnership, trust body or co-operative society will no longer subject to RPGT effective 1 January 2024. Disposal of other real properties will still be subject to RPGT Act, 1976.

2.5 Service Tax

The issuance of units by the Fund to investors will not be subject to Service Tax. Any distributions made by the Fund to unitholders are also not subject to Service Tax. For management fees, this specifically excludes fees charged by any person who is licensed or registered with the Securities Commission for carrying out the regulated activity of fund management under the Capital Markets and Services Act 2007.

To the extent that the Fund invests in any financial services products (e.g. securities, derivatives, units in a fund or unit trust), the acquisition of these interests will also not be subject to Service Tax.

If the Fund acquires any imported taxable services from a service provider outside of Malaysia, these services would be subject to 6% Service Tax. However, effective from 1 March 2024, in accordance with the provisions of subsection 10(2) Service Tax Act 2018, the service tax for the above services would be subject to service tax at 8%. The Fund would be required to file an SST-02A return on an ad hoc basis and report and pay this amount of tax to the Royal Malaysian Customs Department.

3. Taxation of Unit Holders

3.1 Taxable Distribution

Unit Holders will be taxed on an amount equivalent to their share of the total taxable income of the Fund to the extent such income is distributed to them. Unit Holders are also liable to pay income tax on the taxable income distributions paid by the Fund. Taxable income distributions carry a tax credit in respect of the tax chargeable on that part of the Fund. Unit Holders will be subject to tax on an amount equal to the net taxable income distribution plus attributable underlying tax paid by the Fund. No withholding tax will be imposed on the income distribution of the Fund.

Income distributed to Unit Holders is generally taxable as follows in Malaysia:-

Unit Holders	Malaysian Tax Rates for Year of Assessment 2024
Malaysian tax residents: ▪ Individual and non-corporate Unit Holders ▪ Co-operative societies ▪ Trust bodies ▪ Corporate Unit Holders i. A company* with paid up capital in respect of ordinary shares of not more than RM2.5 million where the paid up capital in respect of ordinary shares of other companies within the same group as such company is not more than RM2.5 million (at the beginning of the basis period for a year of assessment) and having gross income from source or sources consisting of a business of not more than RM50 million for the basis period of a year assessment ii. Companies other than those in (i) above	▪ Progressive tax rates ranging from 0% to 30% ▪ Progressive tax rates ranging from 0% to 24% ▪ 24% ▪ 15% for every first RM150,000 of chargeable income ▪ 17% for chargeable income of- RM150,001 to RM600,000 ▪ 24% for chargeable income in excess of RM600,000 * Based on the Finance (No.2) Act 2023, if a company's paid-up capital is owned (directly or indirectly) by companies incorporated outside Malaysia or non-Malaysian citizens, then the company is not entitled to the preferential tax rates above.
Non-Malaysian tax residents: ▪ Individual and non-corporate Unit Holders ▪ Co-operative societies	▪ 30% ▪ 24%

The tax credit attributable to the income distributed to the Unit Holders will be available for set off against tax payable by the Unit Holders. There is no withholding tax on taxable distributions made to non-resident Unit Holders.

Non-resident Unit Holders may be subject to tax in their respective tax jurisdictions depending on the provisions of the relevant tax legislation in the jurisdiction they report their income taxes. Any Malaysian income tax suffered by non-resident Unit Holders may be eligible for double tax relief under the laws of the non-resident Unit Holder's jurisdiction subject also to the terms of the double tax agreement with Malaysia (if applicable).

3.2 Withholding Tax on Distribution from Retail Money Market Fund ("RMMF") to Unit Holders

Distribution of income of a unit trust fund that is a RMMF to its Unit Holders (other than the distribution of interest income to non-individual Unit Holders) is exempted from tax in the hands of the Unit Holders. Non-individual Unit Holders will be chargeable to tax on the income distributed to the Unit Holder from the interest income of a RMMF exempted under Paragraph 35A of Schedule 6 of the MITA with effect from 1 January 2022 as follows:-

Types of Unit Holders	Malaysian Tax Rates for Year of Assessment 2024
Non-individual residents: - Withholding tax rate - Withholding tax mechanism - Due date of payment	24% - Income distribution carries a tax credit, which can be utilised to set off against the tax payable by the Unit Holders - The withholding tax is to be remitted to the Director General of Malaysian Inland Revenue within one month of the distribution of interest income
Non-individual non-residents: - Withholding tax rate - Withholding tax mechanism - Due date of payment	24% - Withholding tax deducted will be regarded as a final tax - The withholding tax is to be remitted to the Director General of Malaysian Inland Revenue within one month of the distribution of interest income

As the Fund is not a RMMF, the above withholding tax on distribution of interest income that is exempted under Paragraph 35A of Schedule 6 of the MITA will not be applicable to the non-individual Unit Holders of the Fund.

3.3 Tax Exempt Distribution

Tax exempt distributions made out of exempt income earned by the Fund will not be subject to Malaysian tax in the hands of Unit Holders, whether individual or corporate, resident or non-resident. All Unit Holders do not pay tax on that portion of their income distribution from the Fund's distribution equalisation account.

3.4 Distribution Voucher

To help complete a Unit Holder's tax returns, the Manager will send to each Unit Holder a distribution voucher as and when distributions are made. This sets out the various components of the income distributed and the amount of attributable income tax already paid by the Fund.

3.5 Sale, Transfer or Redemption of Units

Currently, any gains realised by a Unit Holder on the sale, transfer or redemption of his units are generally tax-free capital gains unless the Unit Holder is an insurance company, a financial institution or a person trading or dealing in securities. Generally, the gains realised by these categories of Unit Holders constitute business income on which tax is chargeable. Unit Holders should consult their respective tax advisors based on their own tax profiles to determine whether the gain from sale, transfer or redemption of units would qualify as capital gains or trading gains.

3.6 Reinvestment of Distribution

Unit Holders who receive their income distribution by way of investment in the form of the purchase of new units will be deemed to have received their income distribution and reinvested that amount in the Fund.

3.7 Unit Splits

Unit splits issued by the Fund are not taxable in the hands of the Unit Holders.

3.8 Service Tax

Pursuant to the Lampiran A of the First Schedule of the Service Tax Regulations 2018 ("First Schedule"), only taxable services listed in the First Schedule are subject to service tax. Investment income or gains received by the Unit Holder are not prescribed taxable services and hence, not subject to Service Tax.

Currently, the legal fees, consultant fees and management fees may be subject to service tax at 6% if the service providers are registered for Services Tax. Effective from 1 March 2024, in accordance with the provisions of subsection 10(2) Service Tax Act 2018, the aforementioned services would be subject to service tax at 8%.

We hereby confirm that the statements made in this tax adviser letter correctly reflect our understanding and the interpretation of the current Malaysian tax legislations and the related interpretation and practice thereof, all of which may subject to change. Our comments above are general in nature and cover taxation in the context of Malaysian tax legislation only and do not cover foreign tax legislation. The comments do not represent specific tax advice to any investors and we recommend that investors obtain independent advice on the tax issues associated with their investments in the Fund.

Yours faithfully

Mohd Fariz bin Mohd Faruk
Executive Director
Deloitte Tax Services Sdn Bhd
Appendix

Tax Exempt Income of Unit Trusts (Non Exhaustive)

1. Interest or discount paid or credited to any individual, unit trust and listed closed-end fund in respect of the following will be exempt from tax:-
 - Securities or bonds issued or guaranteed by the Government; or
 - Debentures or sukuk, other than convertible loan stock, approved or authorized by, or lodged with, the SC; or
 - Bon Simpanan Malaysia issued by the Central Bank of Malaysia.
 [Para 35 of Schedule 6 of the MITA]
2. Income of a unit trust in respect of interest derived from Malaysia and paid or credited by any bank or financial institution licensed under the Financial Services Act 2013 ("FSA") or the Islamic Financial Services Act 2013 ("IFSA") or any development financial institution regulated under the Development Financial Institutions Act 2002 ("DFIA").

 Provided that the exemption shall not apply to the interest paid or credited to a unit trust that is a wholesale fund which is a money market fund.
 [Para 35A of Schedule 6 of the MITA]
3. Interest in respect of any savings certificates issued by the Government.
 [Para 19 of Schedule 6 of the MITA]
4. Interest paid or credited to any person in respect of Sukuk originating from Malaysia, other than convertible loan stock, issued in any currency other than RM and approved or authorized by, or lodged with, the SC or approved by the Labuan Financial Services Authority.
 [Para 33B of Schedule 6 of the MITA]
5. Interest received in respect of bonds and securities issued by Pengurusan Danaharta Nasional Berhad within and outside Malaysia.
 [Income Tax (Exemption) (No. 5) Order 2001]
6. Interest income derived from bonds (other than convertible loan stocks) paid or credited by any company listed in Malaysia Exchange of Securities Dealing and Automated Quotation Berhad ("MESDAQ") (now known as Bursa Malaysia Securities Berhad ACE Market).
 [Income Tax (Exemption) (No. 13) Order 2001]
7. Income derived from the Sukuk Issue which has been issued by the Malaysia Global Sukuk Inc.
 [Income Tax (Exemption) (No. 31) Order 2002]
8. Discount or profit received from the sale of bonds or securities issued by Pengurusan Danaharta Nasional Berhad or Danaharta Urus Sendirian Berhad within and outside Malaysia.
 [Income Tax (Exemption) (No. 6) Order 2003]
9. Income derived from the Sukuk Ijarah, other than convertible loan stock, issued in any currency by 1Malaysia Sukuk Global Berhad.
 [Income Tax (Exemption) Order 2010]
10. Gain or profit received from the investment in Islamic securities, other than convertible loan stock, which are issued in accordance with the principles of *Mudharabah*, *Musarakah*, *Ijarah*, *Istisna'* or any other principle approved by the Shariah Advisory Council established by the SC under the Capital Markets and Services Act 2007.
 [Income Tax (Exemption) (No. 2) Order 2011]
11. Gains or profits in lieu of interest, derived from the Sukuk Wakala in accordance with the principle of *Al-Wakala Bil Istithmar*, other than a convertible loan stock, issued in any currency by Wakala Global Sukuk Berhad.
 [Income Tax (Exemption) (No. 4) Order 2011]

12. Income derived from Sukuk Kijang is exempted from the payment of income tax pursuant to Income Tax (Exemption) (No. 10) Order 2013. For the purpose of this order, “Sukuk Kijang” means the Islamic Securities of nominal value of up to two hundred and fifty million United States dollars (USD\$250,000,000) issued or to be issued in accordance with the Shariah principle of Ijarah by BNM Kijang Berhad.
[Income Tax (Exemption) (No. 10) Order 2013]
13. Gains or profits derived, in lieu of interest, derived from the Sukuk Wakala with the nominal value up to one billion and five hundred million United States Dollar (USD1,500,000,000.00) in accordance with the principle of *Wakala Bil Istithmar*, other than a convertible loan stock, issued by the Malaysia Sovereign Sukuk Berhad.
[Income Tax (Exemption) (No. 3) Order 2015]
14. Gains or profits derived, in lieu of interest from the Sukuk Wakala with the nominal value up to one billion and five hundred million United States Dollar (US\$1,500,000,000.00) in accordance with the principle of *Wakala*, other than a convertible loan stock, issued by the Malaysia Sukuk Global Berhad (formerly known as 1Malaysia Sukuk Global Berhad).
[Income Tax (Exemption) (No. 2) Order 2016]

RELEVANT INFORMATION

INFORMATION AVENUES

How can I keep track of my investment?

You may obtain the daily Fund price from our website at www.aham.com.my.

As the Fund has exposure to investments in foreign jurisdiction, these daily prices are based on information available two (2) Business Days prior to publication.

The annual report and semi-annual report will be made available to you within two (2) months after the end of the financial period the report covers. You will also be able to view and confirm your current Unit holdings, and transactions that you have performed relating to your Units in the Fund through your monthly statement. You can download the annual report and quarterly report from our website at www.aham.com.my, while the monthly statement can be accessed via our digital platform.

THE FUND'S ANNUAL REPORT IS AVAILABLE UPON REQUEST.

Who should I contact if I need additional information of the Fund?

You can seek assistance from our customer service personnel at our toll free number 1-800-88-7080 between 8.45 a.m. to 5.30 p.m. on a Business Day. Alternatively, you can email us at customercare@aham.com.my.

COMPLAINTS AVENUES

How do I make a complaint?

You may i) write to us on our website at <http://aham.com.my>; (ii) write to us at Ground Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur; (iii) call us at our toll free number 1800-88-7080 or our telephone number (603) - 2116 6000 during business hours, from 8.45 a.m. to 5.30 p.m., Mondays to Fridays; (iv) e-mail us at customercare@aham.com.my; or (v) speak to our customer care consultant in person.

To help us investigate your complaint, please provide us with (i) particulars of the complainant which include name, correspondence address, contact number, e-mail address (if any) and other relevant information; (ii) circumstances of the non-compliance or improper conduct; (iii) parties alleged to be involved in the improper conduct; and (iv) any other supporting documentary evidence (if any).

If you are not satisfied with how your complaint has been handled, or the resolution provided by us, you may file your complaint to the FiMM, Financial Markets Ombudsman Service ("FMOS") or SC, for an independent external review. Please refer to the PHS and our website for their contact information.

ANTI-MONEY LAUNDERING POLICIES AND PROCEDURES

Pursuant to the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("AMLATFPUAA") and SC's Guidelines on Prevention of Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing and Targeted Financial Sanctions for Reporting Institutions in the Capital Market, it is our responsibility to prevent AHAM from being used for money laundering and terrorism financing activities. To this end, we have established an Anti-Money Laundering/Counter-Financing of Terrorism Framework (AML/CFT Framework) and put in place anti-money laundering process and procedures to combat such activities. This includes a robust due diligence process and procedures for client on-boarding (such as know-your-client procedures and customer due diligence) as well as ongoing monitoring of clients' transactions to detect any suspicious transactions.

To meet our regulatory obligations to verify the identity of our clients and to verify the source of funds, we may request for additional information from you. Information requested may include, but not limited to, supporting documents, documentary evidence to support information given and could extend to documents regarding identity of beneficial owners (if applicable). We reserve the right to reject an application to invest in the Fund should clients fail to provide the information required. Furthermore, where a particular transaction is deemed suspicious, we have an obligation under the AMLATFPUAA to notify the relevant authority of the transaction.

CONSENTS

- The written consents of the Management Company, Investment Manager and Trustee to the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issuance of this Prospectus and have not been subsequently withdrawn; and
- The written consent of the tax adviser to the inclusion in this Prospectus of its name and the tax adviser's letter in the form and context in which it is contained in this Prospectus has been given before the issuance of this Prospectus and has not been subsequently withdrawn.

DOCUMENTS AVAILABLE FOR INSPECTION

Unit Holders may inspect without charge, at the business address of the Manager, the following documents or copies thereof, where applicable:

- The Deed and supplemental deed (if any) of the Fund;
- This Prospectus and supplemental or replacement prospectus (if any) of the Fund;
- The Target Fund Prospectus including any supplemental prospectus or replacement prospectus, as the case may be;
- The latest annual and semi-annual reports of the Fund;
- Each material contract disclosed in this Prospectus and, in the case of contracts not reduced into writing, a memorandum which gives full particulars of the contracts;
- The audited financial statements of AHAM and the Fund for the current financial year (where applicable) and the last three (3) financial years or if less than three (3) years from the date of incorporation or commencement;
- All reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in this Prospectus. Where a summary expert's report is included in this Prospectus, the corresponding full expert's report should be made available for inspection;
- Writ and relevant cause papers for all current material litigation and arbitration disclosed in this Prospectus; and
- Any consent given by experts disclosed in this Prospectus.

DIRECTORY OF SALES OFFICES

AHAM ASSET MANAGEMENT BERHAD:

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Note: For information and updates on AHAM's head office and sales offices, please refer to our website at www.aham.com.my.

AUTHORISED DISTRIBUTORS:

For more information about our authorised distributors, kindly contact our customer service personnel at our toll free number 1-800-88-7080 between 8.45 a.m. to 5.30 p.m. on a Business Day. Alternatively, you can e-mail us at customercare@aham.com.my.

PROSPECTIVE UNIT HOLDERS SHOULD READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS AND, IF NECESSARY, SHOULD CONSULT THEIR ADVISER(S).

APPENDIX I

TAXATION OF THE TARGET FUND : GENERAL

The following statements on taxation are based on advice received by the directors of the Company regarding the law and practice in force in the relevant jurisdiction at the date of the Target Fund Prospectus and proposed regulations and legislation in draft form. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the Company will endure indefinitely.

Dividends, interest and capital gains (if any) which the Company receives with respect to investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of investments are located. It is anticipated that the Company may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in a repayment to the Company the net asset value of the Target Fund will not be re-stated and the benefit will be allocated to the existing Shareholders (including the the Fund) rateably at the time of the repayment.

TAXATION OF THE TARGET FUND : IRELAND

Taxation of the Company

The Company intends to conduct its affairs so that it is Resident in Ireland for tax purposes. On the basis that the Company is Resident in Ireland, the Company qualifies as an ‘investment undertaking’, as defined in Section 739B(1) TCA and, consequently, is exempt from Irish tax on its income and gains.

However, the Company will be obliged to account for Irish income tax to the Irish Revenue Commissioners in respect of Shares held by Taxable Irish Shareholders (and in certain other circumstances), as described below, on the happening of a “chargeable event” in the Company.

A chargeable event includes any distribution payments to Shareholders or any encashment, redemption, cancellation, transfer or deemed disposal (a deemed disposal will occur at the expiration of an ‘eighth anniversary’) of Shares or the appropriation or cancellation of Shares of a Shareholder by the Company for the purposes of meeting the amount of tax payable on a gain arising on a transfer or deemed disposal.

A chargeable event does not include:

- (a) An exchange by a Shareholder, effected by way of an arms-length bargain where no payment is made to the Shareholder, of Shares in the Company for other Shares in the Company;
- (b) Any transactions (which might otherwise be a chargeable event) in relation to shares held in a recognised clearing system;
- (c) A transfer by a Shareholder of the entitlement to Shares where the transfer is between spouses and former spouses, subject to certain conditions; or
- (d) An exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H TCA) of the Company with another investment undertaking;
- (e) The cancellation of Shares arising from an exchange in relation to a scheme of amalgamation (as defined in Section 739HA TCA).

Taxation of Foreign Shareholders

Where a Shareholder is neither Resident nor Ordinarily Resident in Ireland for Irish tax purposes, the Company will not deduct any Irish tax in respect of the Shareholder’s Shares once the declaration set out in the application form accompanying the Target Fund Prospectus has been received by the Company confirming the Shareholder’s non-Irish Resident status. This declaration may be provided by an Intermediary who holds Shares on behalf of Foreign Shareholders, provided that, to the best of the Intermediary’s knowledge, the Shareholders are not Irish Resident. An explanation of the term “Intermediary” is set out at the end of this summary.

If this declaration is not received by the Company, the Company will deduct Irish tax in respect of the Shareholder's Shares as if the Shareholder was a Taxable Irish Shareholder (see below). The Company will also deduct Irish tax if the Company has information which reasonably suggests that a Shareholder's declaration is incorrect. A Shareholder will generally have no entitlement to recover such Irish tax, unless the Shareholder is a company and holds the Shares through an Irish branch and in certain other limited circumstances. The Company must be informed if a Shareholder becomes Irish Resident.

Generally, Foreign Shareholders will have no other Irish tax liability with respect to their Shares. However, if a Shareholder is a company which holds its Shares through an Irish branch or agency, the Shareholder may be liable to Irish corporation tax in respect of profits and gains arising in respect of the Shares (on a self-assessment basis).

Automatic Exchange of Information ("AEOI")

Irish reporting financial institutions, which include the Company, have reporting obligations in respect of certain investors under the FATCA as implemented pursuant to the Ireland – US intergovernmental agreement and/or the OECD's Common Reporting Standard (see below).

FATCA

The foreign account tax compliance provisions contained in Sections 1471 to 1474 of the United States Internal Revenue Code and the regulations promulgated thereunder ("FATCA") impose a reporting regime and may impose a 30% withholding tax on certain US source payments, including interest (and original issue discounts), dividends, other fixed or determinable annual or periodical gains, profits and income (collectively "Withholdable Payments"), if paid to certain non-US financial institutions (any such foreign (non-US) financial institutions, an "FFI") that fail to enter into, or fail to comply with once entered into, an agreement with the US Internal Revenue Service to provide certain information about their US accountholders, including direct and indirect holdings. The Company expects that it (or the Target Fund) will constitute an FFI.

The United States and the Government of Ireland have entered into an intergovernmental agreement to facilitate the implementation of FATCA (the "IGA"). Provision was included in Finance Act 2013 for the implementation of the Irish IGA which also permits regulations to be made by the Irish Revenue Commissioners with regard to registration and reporting requirements arising from the Irish IGA. In this regard, the Revenue Commissioners (in conjunction with the Department of Finance) have issued Regulations – S.I. No. 292 of 2014 effective from 1 July 2014. An FFI (such as the Company) that complies with the terms of the IGA, as well as applicable local law requirements will not be subject to withholding tax under FATCA with respect to US source income (including dividends and interest) (i.e. Withholdable Payments) that it receives. Further, an FFI that complies with the terms of the IGA will not be required to withhold under FATCA on payments it makes to accountholders of such FFI (unless it has agreed to do so under the US "qualified intermediary," "withholding foreign partnership," or "withholding foreign trust" regimes).

The Company (or any nominated service provider) shall be entitled to require Shareholders (including the Fund) to provide any information regarding their tax status, identity or residency in order to satisfy any reporting requirements which the Company may have as a result of the IGA or any legislation promulgated in connection with the agreement and investors will be deemed, by their Shareholding to have authorized the automatic disclosure of such information by the Company (or any nominated service provider) or any other person to the relevant tax authorities.

The Company (or any nominated service provider) will agree that information (including the identity of any Shareholder including the Fund) supplied for purposes of FATCA compliance is intended for the Company's (or any nominated service provider) use for purposes of satisfying FATCA requirements and the Company (or any nominated service provider) will agree, to the extent permitted by applicable law, that it will take reasonable steps to treat such information in a confidential manner, except that the Company may disclose such information (i) to its officers, directors, agents and advisors, (ii) to the extent reasonably necessary or advisable in connection with tax matters, including achieving FATCA compliance, (iii) to any person with the consent of the applicable Shareholder (including the Fund), or (iv) as otherwise required by law or court order or on the advice of its advisors.

The first reporting to the Irish Revenue Commissioners under FATCA was required by 31 July 2015 in respect of 2014. Going forward reporting will be required by 30 June of the year following the calendar year being reported.

Each existing and prospective investor in the Company is expected to provide the Administrator with such information as the Administrator may deem necessary to determine whether such Shareholder qualifies as a Reportable Account for FATCA purposes or otherwise qualifies for an exemption.

Common Reporting Standard

The Common Reporting Standard (“CRS”) framework was first released by the OECD in February 2014 as a result of significant political will demonstrated by the G20 members. To date, more than 90 jurisdictions have publicly committed to implementation, many of which are early adopter countries, including Ireland. Less than six months later, on 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters (the “Standard”) was published, involving the use of 2 main elements, the Competent Authority Agreement (CAA) and the Common Reporting Standard (CRS). The goal of the Standard is to provide for the annual automatic exchange between governments of financial account information reported to them by local Financial Institutions (FIs) relating to account holders tax resident in other participating countries. The OECD leveraged FATCA to design the CAA and CRS and as such the Standard is broadly similar to the FATCA requirements, albeit with numerous alterations. It will result in a significantly higher number of reportable persons due to the increased instances of potentially in-scope accounts and the inclusion of multiple jurisdictions to which accounts must be reported.

The CRS contains the reporting and due diligence that underpins the automatic exchange of financial account information. A jurisdiction implementing the CRS must have rules in place that require financial institutions to report information consistent with the scope of reporting and to follow due diligence procedures as set out in the Standard.

The financial institutions covered by the standard include custodial institutions, depository institutions, investment entities (including funds) and specified insurance companies, unless they present a low risk of being used for evading tax and are excluded from reporting. The financial information to be reported with respect to reportable accounts includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations), and the standard includes a requirement to look through passive entities to report on the relevant controlling persons.

The due diligence procedures to be performed by reporting financial institutions for the identification of reportable accounts are described in detail in the Standard. They distinguish between individual accounts and entity accounts. New investors will be required to complete self-certifications confirming various tax matters, including their tax residence.

The Standard also describes the rules and administrative procedures an implementing jurisdiction is expected to have in place to ensure effective implementation of, and compliance with, the CRS.

Ireland has provided for the implementation of CRS through Section 891F TCA and the Returns of Certain Information by Reporting Financial Institutions Regulations 2015. From 1 January 2016, Irish Financial Institutions, such as the Company, will be required to obtain certain tax information and undertake due diligence procedures in respect of pre-existing and new investors, including ensuring appropriate self-certifications are obtained from new investors at account opening stage. Reporting to the Irish Revenue Commissioners is required on an annual basis, the first of which must be made by 4 September 2017, in respect of the year ended 31 December 2016.

The information to be reported with respect to reportable accounts includes details of the name, address, taxpayer identification number(s) (“TIN”), place of residence and, in the case of investors who are individuals, the date and place of birth, together with financial details relating to the investment in the Company, such as account balance or value, sales proceeds and other income payments. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations), and the CRS includes a requirement to look through passive entities to report on the relevant controlling persons

The CRS replaced the previous European information sharing regime in respect of savings income under Directive 2003/48/EC (commonly known as the EU Savings Directive regime).

FATCA and CRS Shareholder information requirements

The Company (or any nominated service provider) shall be entitled to require Shareholders (including the Fund) to provide any information regarding their tax status, identity or residency in order to satisfy any reporting requirements which the Company may have as a result of its FATCA and CRS obligations. Investors (including the Fund) will be deemed, by their shareholding to have authorized the automatic disclosure of such information by the Company (or any nominated service provider) or any other person to the relevant tax authorities.

The Company (or any nominated service provider) agree that information (including the identity of any Shareholders) supplied for the purposes of FATCA and CRS compliance is intended for the Company’s (or any nominated service provider) use for the purposes of satisfying its requirements under FATCA and CRS and the Company (or any nominated service provider) agree, to the extent permitted by applicable law that it will take reasonable steps to treat such information in a confidential manner, except that the Company may disclose such information (i) to officers, directors, agents and advisors, (ii) to the extent reasonably necessary or advisable in connection with tax matters, including achieving FATCA and CRS compliance, (iii) to any person with the consent of the applicable Shareholders, or (iv) as otherwise required by law or court order.

Relevant Irish Tax Definitions

Meaning of “Resident” for Companies

A company which has its central management and control in Ireland is resident in Ireland irrespective of where it is incorporated. A company which does not have its central management and control in Ireland but which is incorporated in Ireland is resident in Ireland except where the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country.

It should be noted that the determination of a company’s residence for tax purposes can be complex in certain cases and potential investors are referred to the specific legislative provisions that are contained in Section 23A TCA.

Meaning of “Resident” for individuals

An individual will be regarded as being resident in Ireland for a calendar year if s/he:

1. spends 183 or more days in Ireland in that calendar year; or
2. has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that calendar year together with the number of days spent in Ireland in the preceding year.

Presence in Ireland by an individual of not more than 30 days in a calendar year will not be reckoned for the purpose of applying the “two year” test.

An individual is treated as present in Ireland for a day if that individual is personally present in Ireland at any time during the day.

Meaning of “Ordinary Resident” for individuals

The term “ordinary residence” (as distinct from “residence”) relates to a person’s normal pattern of life and denotes residence in a place with some degree of continuity. An individual who has been resident in Ireland for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year.

An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which s/he is not resident. For example, an individual who is resident and ordinarily resident in Ireland in 2022 and departs from Ireland in that tax year will remain ordinarily resident up to the end of the tax year in 2025.

Meaning of “Intermediary”

An ‘intermediary’ means a person who:-

- (a) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking resident in Ireland on behalf of other persons; or
- (b) holds units in an investment undertaking on behalf of other persons.

Meaning of “Exempt Irish Shareholder”

An Exempt Irish Shareholder means:-

- (i) a qualifying management company within the meaning of section 739B TCA;
- (ii) an investment limited partnership within the meaning of section 739J TCA;
- (iii) an investment undertaking within the meaning of section 739B TCA;
- (iv) an exempt approved scheme or a retirement annuity contract or trust scheme within the provisions of sections 774, 784 or 785 TCA;
- (v) a company carrying on life business within the meaning of section 706 TCA;
- (vi) a special investment scheme within the meaning of section 737 TCA;
- (vii) a unit trust to which section 731(5)(a) TCA applies;
- (viii) a charity entitled to an exemption from income tax or corporation tax under section 207(1)(b) TCA;
- (ix) a person entitled to exemption from income tax and capital gains tax under section 784A(2) TCA, section 787I TCA or section 848E TCA and the units held are assets of an approved retirement fund, an approved minimum retirement fund, a special savings incentive account or a personal retirement savings account (as defined in section 787A TCA);
- (x) the Courts Service;
- (xi) a Credit Union;
- (xii) a company within the charge to corporation tax under section 739G(2) TCA, but only where the fund is a money market fund;

- (xiii) a company within the charge to corporation tax under section 110(2) TCA;
- (xiv) the National Asset Management Agency;
- (xv) the National Treasury Management Agency or a fund investment vehicle within the meaning of section 739D (6)(kb) TCA;
- (xvi) the Motor Insurers' Bureau of Ireland in respect of an investment made by it of moneys paid to the Motor Insurers Insolvency Compensation Fund under the Insurance Act 1964 (amended by the Insurance (Amendment) Act 2018); and
- (xvii) any other person as may be approved by the Directors from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to the Company in respect of that Shareholder under Part 27 Chapter 1A TCA, in respect of each of which the appropriate declaration set out in Schedule 2B TCA or otherwise and such other information evidencing such status is in the possession of the Company on the appropriate date.

Meaning of "Foreign Shareholder"

Foreign Shareholder means (i) a person who is neither Resident nor Ordinarily Resident in Ireland (as defined above) for tax purposes who has provided the Company with the appropriate declaration under Schedule 2B TCA and the Company is not in possession of any information that would reasonably suggest that the declaration is incorrect or has at any time been incorrect, or (ii) the Company is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to have been provided with such declaration is deemed to have been complied with in respect of that person or class of Shareholder to which that person belongs, and that approval has not been withdrawn and any conditions to which that approval is subject have been satisfied.

Meaning of "Taxable Irish Shareholder"

Taxable Irish Shareholder means any person, other than:-

- (i) a Foreign Shareholder;
- (ii) an Intermediary (as defined above), including a nominee, for a Foreign Shareholder; and
- (iii) an Exempt Irish Shareholder.

TAXATION OF THE TARGET FUND: OTHER JURISDICTIONS

As Shareholders are no doubt aware, the tax consequences of any investment can vary considerably from one jurisdiction to another, and ultimately will depend on the tax regime of the jurisdictions within which a person is tax resident. It is the directors of the Target Fund's intention to manage the affairs of the Company so that it does not become resident outside of Ireland for tax purposes.

APPENDIX II

LIST OF STOCK EXCHANGES AND REGULATED MARKETS INVESTABLE BY THE TARGET FUND

Subject to the conditions imposed by the Central Bank and with the exception of permitted investments in unlisted securities, the Company will only invest in securities listed or traded on the following stock exchanges and regulated markets which meets with the regulatory criteria (regulated, operate regularly, be recognised and open to the public). The Central Bank does not issue a list of approved stock exchanges or markets.

(a) without restriction in any stock exchange which is:

- located in a Member State; or
- located in an EEA member state (with the exception of Liechtenstein); or
- located in the United Kingdom, Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United States of America; or

(b) without restriction in any stock exchange included in the following list:

Argentina	Bolsa de Comercio de Buenos Aires;	Mauritius	Stock Exchange of Mauritius;
Argentina	Bolsa de Comercio de Cordoba;	Mexico	Bolsa Mexicana de Valores;
Argentina	Mercado Abierto Electronico S.A.;	Morocco	Societe de la Bourse des Valeurs de Casablanca;
Bahrain	Bahrain Stock Exchange;	Namibia	Namibian Stock Exchange;
Bangladesh	Dhaka Stock Exchange;	Nigeria	Nigerian Stock Exchange;
Bermuda	Bermuda Stock Exchange;	Oman	Muscat Securities Market;
Botswana	Botswana Stock Exchange;	Pakistan	Islamabad Stock Exchange;
Brazil	Bolsa de Valores do Rio de Janeiro;	Pakistan	Karachi Stock Exchange;
Brazil	Bolsa de Valores de Sao Paulo;	Pakistan	Lahore Stock Exchange;
Chile	La Bolsa Electronica de Chile;	Peru	Bolsa de Valores de Lima;
Chile	Bolsa de Comercio de Santiago;	Phillipines	Philippine Stock Exchange;
China	Shanghai Securities Exchange;	Qatar	Doha Securities Market;
China	Shenzhen Stock Exchange;	Russian Federation	Moscow Stock Exchange;
Colombia	Bolsa de Valores de Colombia;	Saudi Arabia	Saudi Stock Exchange;
Croatia	Zagreb Stock Exchange;	Serbia	Belgrade Stock Exchange;
Egypt	Cairo and Alexandria Stock Exchange;	Singapore	Singapore Exchange;
Ghana	Ghana Stock Exchange;	South Africa	JSE Securities Exchange;
India	Bangalore Stock Exchange;	Sri Lanka	Colombo Stock Exchange;
India	Calcutta Stock Exchange;	Taiwan (Republic of China)	Taiwan Stock Exchange Corporation;
India	Delhi Stock Exchange;	Taiwan (Republic of China)	Gre Tai Securities Market;
India	The Stock Exchange, Mumbai;	Thailand	Stock Exchange of Thailand;
India	National Stock Exchange of India;	Tunisia	Bourse des Valeurs Mobilieres de Tunis;
Indonesia	Jakarta Stock Exchange;	Turkey	Istanbul Stock Exchange;
Israel	Tel Aviv Stock Exchange;	United Arab Emirates	Abu Dhabi Stock Exchange;
Jordan	Amman Stock Exchange;	UAE	Dubai International Financial Exchange;
Kazakstan (Rep. of)	Kazakhstan Stock Exchange;	Uruguay	Bolsa de Valores de Montevideo;
Kenya	Nairobi Stock Exchange;	Vietnam	Ho Chi Minh City Securities Trading Centre;
Korea	Korea Stock Exchange;	Zambia	Lusaka Stock Exchange;
Korea	KOSDAQ;		
Kuwait	Kuwait Stock Exchange;		
Malaysia	Bursa Malaysia;		

(c) any of the following:

1. Derivative markets approved in an EEA member state;
2. The market organized by the International Capital Market Association;
3. The (i) market conducted by banks and other institutions regulated by the FCA and subject to the Inter-Professional Conduct provisions of the FCA's Market Conduct Sourcebook and (ii) market in non-investment products which is subject to the guidance contained in the Non Investment Products Code drawn up by the participants in the London market, including the FCA and the Bank of England;
4. The market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York and the US Securities and Exchange Commission;
5. The over-the-counter market in the United States conducted by primary and second dealers regulated by the Securities and Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);
6. The NASDAQ Stock Market LLC;
7. Gretai Market;
8. The Chicago Board of Trade;
9. The Chicago Mercantile Exchange;
10. The over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;
11. The over-the-counter market in Canadian Government Bonds as regulated by the Investment Dealers Association of Canada;
12. The French market for Titres de Creance Negotiable (over-the-counter market in negotiable debt instruments);

(d) In addition, in relation to any financial derivative contract, any market or exchange on which such contract may be acquired or sold and which is regulated, operates regularly, is recognised and open to the public and which is (i) located in an EEA member state (with the exception of Liechtenstein), (ii) located in the United Kingdom, Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, the United States, Mexico, Brazil, Russia, Turkey, South Africa, Hungary, Hong Kong, China, Korea, Taiwan, Malaysia, India, Thailand, Indonesia, Singapore, Philippines, (iii) the Channel Islands Stock Exchange, or (iv) listed above.

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