

Prospectus

# AHAM Aiiman Global Thematic Mixed Asset Fund

*(Formerly known as Affin Hwang Aiiman  
Global Thematic Mixed Asset Fund)*



MANAGER

**AHAM Asset Management Berhad**  
(Formerly known as Affin Hwang Asset Management Berhad)  
Registration No.: 199701014290 (429786-T)

TRUSTEE

**Deutsche Trustees Malaysia Berhad**  
Registration No.: 200701005591 (763590-H)

This Prospectus is dated 28 March 2023.

The AHAM Aiiman Global Thematic Mixed Asset Fund was constituted on 15 June 2022\*.

*\*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. THIS IS A REPLACEMENT PROSPECTUS THAT REPLACES AND SUPERCEDES THE PROSPECTUS DATED 15 JUNE 2022. FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 4.



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 (formerly known as Affin Hwang 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 Asset Management Berhad, 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.

The AHAM Aiman Global Thematic Mixed Asset Fund has been certified as Shariah-compliant by the Shariah Adviser appointed for the Fund.



**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.**

# TABLE OF CONTENTS

CORPORATE DIRECTORY	iii
ABBREVIATION	1
GLOSSARY	1
RISK FACTORS	4
ABOUT AHAM AIIMAN GLOBAL THEMATIC MIXED ASSET FUND	9
DEALING INFORMATION	19
FEES, CHARGES AND EXPENSES	25
PRICING	28
SALIENT TERMS OF DEED	31
THE MANAGER	37
THE EXTERNAL FUND MANAGER AND INVESTMENT ADVISER	38
THE TRUSTEE	40
THE SHARIAH ADVISER	41
RELATED PARTIES TRANSACTION AND CONFLICT OF INTEREST	43
TAX ADVISER'S LETTER	44
RELEVANT INFORMATION	51
CONSENTS	52
DOCUMENTS AVAILABLE FOR INSPECTION	53
DIRECTORY OF SALES OFFICES	54

# CORPORATE DIRECTORY

## **The Manager/AHAM**

### **AHAM Asset Management Berhad**

*(formerly known as Affin Hwang Asset Management Berhad)*

#### **Registered Office**

3<sup>rd</sup> Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur

Tel No. : (603) 2142 3700

Fax No. : (603) 2140 3799

#### **Business Address**

Ground Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur

Tel No. : (603) 2116 6000

Fax No. : (603) 2116 6100

Toll free line : 1-800-88-7080

E-mail : [customercare@aham.com.my](mailto:customercare@aham.com.my)

Website : [www.aham.com.my](http://www.aham.com.my)

## **The Trustee**

### **Deutsche Trustees Malaysia Berhad**

#### **Registered Office and Business Address**

Level 20, Menara IMC, 8, Jalan Sultan Ismail, 50250 Kuala Lumpur

Tel No. : (603) 2053 7522

Fax No. : (603) 2053 7526

Email : [dtmb.rtm@db.com](mailto:dtmb.rtm@db.com)

## **The External Fund Manager/AIIMAN**

### **AIIMAN Asset Management Sdn. Bhd**

#### **Registered Office**

3<sup>rd</sup> Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur

Tel No. : (603) 2142 3700

Fax No. : (603) 2027 5848

#### **Business Address**

14<sup>th</sup> Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur

Tel No. : (603) 2116 6156

Fax No. : (603) 2116 6150

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

## **The Shariah Adviser**

### **Amanie Advisors Sdn. Bhd.**

Level 13A-2, Menara Tokio Marine Life, 189 Jalan Tun Razak, 50400 Kuala Lumpur

Tel No. : (603) 2161 0260

Fax No. : (603) 2161 0262

E-mail : [info@amanieadvisors.com](mailto:info@amanieadvisors.com)

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

## ABBREVIATION

<b>AUD</b>	Australian Dollar.
<b>CUTA</b>	Corporate Unit Trust Scheme Advisers.
<b>FIMM</b>	Federation of Investment Managers Malaysia.
<b>IUTA</b>	Institutional Unit Trust Scheme Advisers.
<b>MYR</b>	Ringgit Malaysia.
<b>OTC</b>	Over-the-counter.
<b>PHS</b>	Product Highlights Sheet.
<b>SAC of BNM</b>	Shariah Advisory Council of Bank Negara Malaysia.
<b>SAC of the SC</b>	Shariah Advisory Council of the SC.
<b>SC</b>	Securities Commission Malaysia.
<b>SGD</b>	Singapore Dollar.
<b>USD</b>	United States Dollar.

## GLOSSARY

<b>AUD Hedged-class</b>	Represents a Hedged-class issued by the Fund which is denominated in AUD.
<b>Base Currency</b>	Means the currency in which the Fund is denominated i.e. USD.
<b>Board</b>	Means the board of directors of AHAM Asset Management Berhad ( <i>formerly known as Affin Hwang Asset Management Berhad</i> ).
<b>Bursa Malaysia</b>	Means the stock exchange operated by Bursa Malaysia Securities Berhad including such other name as may be amended from time to time.
<b>Business Day</b>	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.
<b>Class(es)</b>	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.
<b>CMSA</b>	Means the Capital Markets and Services Act 2007 as originally enacted and amended or modified from time to time.
<b>Commencement Date</b>	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.
<b>CVC Capital Partners Asia Fund V</b>	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.
<b>Deed</b>	Refers to the deed dated 21 January 2022 and the first supplemental deed dated 28 December 2022 entered into between the Manager and the Trustee and includes any subsequent amendments and variations to the Deed.
<b>eligible market(s)</b>	Means an exchange, government securities market or an over-the-counter (OTC) market– <ul style="list-style-type: none"> <li>(a) that is regulated by a regulatory authority of that jurisdiction;</li> <li>(b) that is open to the public or to a substantial number of market participants; and</li> <li>(c) on which financial instruments are regularly traded.</li> </ul>
<b>External Fund Manager / AIIMAN</b>	Refers to AIIMAN Asset Management Sdn. Bhd.

<b>Financial Institution(s)</b>	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.
<b>Forward Pricing</b>	Means the method of determining the price of a Unit which is the NAV per Unit at the next valuation point after an application for purchase or repurchase request is received by the Manager.
<b>Fund</b>	Refers to AHAM Aiiiman Global Thematic Mixed Asset Fund ( <i>formerly known as Affin Hwang Aiiiman Global Thematic Mixed Asset Fund</i> ).
<b>Guidelines</b>	Means the <i>Guidelines on Unit Trust Funds</i> issued by the SC and as may be amended from time to time.
<b>Hedged-class</b>	Means a particular Class that aims to reduce the effect of exchange rate fluctuations between the Base Currency and the currency in which 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.
<b>Institutional Class</b>	Means any Class which is offered to non-individual investors that can meet the minimum initial investment of the Class.
<b>Investment Adviser</b>	Refers to Schroder Investment Management (Singapore) Ltd.
<b>Licensed Bank</b>	Means a bank licensed under the Financial Services Act 2013.
<b>Licensed Investment Bank</b>	Means an investment bank licensed under the Financial Services Act 2013.
<b>Licensed Islamic Bank</b>	Means an Islamic bank licensed under the Islamic Financial Services Act 2013.
<b>Latest Practicable Date (LPD)</b>	Means 31 December 2022 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.
<b>Manager / AHAM</b>	Refers to AHAM Asset Management Berhad ( <i>formerly known as Affin Hwang Asset Management Berhad</i> ).
<b>medium to long-term</b>	Means a period of three (3) years or more.
<b>MYR Hedged-class</b>	Represents a Hedged-class issued by the Fund which is denominated in MYR.
<b>Net Asset Value or NAV</b>	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 NAV of the Fund attributable to each Class.
<b>NAV per Unit</b>	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.
<b>Prospectus</b>	Means this prospectus and includes any supplemental or replacement prospectus, as the case may be.
<b>Repurchase Charge</b>	Means a charge imposed pursuant to a repurchase request.
<b>Repurchase Price</b>	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.
<b>Retail Class</b>	Means any Class which is offered to individual investors and non-individual investors.
<b>Sales Charge</b>	Means a charge imposed pursuant to a purchase request.

<b>Selling Price</b>	Means the price payable by you for us to create a Unit in the Fund and it shall be exclusive of any Sales Charge.
<b>SGD Hedged-class</b>	Represents a Hedged-class issued by the Fund which is denominated in SGD.
<b>Shariah</b>	Means Islamic law, originating from the Qur`an (the holy book of Islam), and its practices and explanations rendered by the prophet Muhammad (pbuh) and ijihad of ulamak (personal effort by qualified Shariah scholars to determine the true ruling of the divine law on matters whose revelations are not explicit).
<b>Shariah Adviser</b>	Refers to Amanie Advisors Sdn. Bhd.
<b>Special Resolution</b>	Means a resolution passed by a majority of not less than three quarter (¾) 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 (¾) 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>
<b>Trustee / DTMB</b>	Refers to Deutsche Trustees Malaysia Berhad.
<b>Unit(s)</b>	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.
<b>Units in Circulation</b>	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>
<b>Unit Holder(s), investor(s), you</b>	Means the person / corporation registered as the holder of a Unit or Units including persons jointly registered.
<b>USD Class</b>	Represents a Class issued by the Fund which is denominated in USD.

Note:

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

# RISK FACTORS

This section of this Prospectus provides you with information on the general risks involved when investing in a unit trust fund and the specific risks associated with the securities/instruments that the Fund will be investing in.

## GENERAL RISKS

### **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 the day-to-day management of the Fund by us which will impact the performance of the Fund. For example, investment decisions undertaken by us 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 distribution of income.

### **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.

### **Liquidity risk**

Liquidity risk refers to two scenarios. The first scenario is where an investment cannot be sold due to unavailability of a buyer for that investment. The second scenario exists where the investment, by its nature, is thinly traded. This will have the effect of causing the investment to be sold below its fair value which would adversely affect the NAV of the Fund and subsequently the value of Unit Holders' investments in the Fund.

### **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 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.

### **Financing risk**

This risk occurs when you take a financing to finance your investment. The inherent risk of investing with financed money includes you being unable to service the financing payments. 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 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, where the market value or fair value of a material portion of the Fund's assets cannot be determined. 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 than original timeline. Hence, their investments will continue to be subject to the risks inherent to the Fund.

## **SPECIFIC RISKS**

### **Shariah-compliant stock specific risk**

Prices of a particular Shariah-compliant stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such Shariah-compliant stock held by the Fund will adversely affect the Fund's NAV.

### **Shariah-compliant warrants investment risk**

The value of the Shariah-compliant warrants will depend on the pricing of the underlying securities whereby the growth and performance prospect of the underlying securities would consequentially affect the value of the Shariah-compliant warrants. In addition, the value of the Shariah-compliant warrants may decrease exponentially as the Shariah-compliant warrants approach their maturity date and the potential gains from a favourable price movement of the underlying securities may be offset by aggressive time decay. We may consider unwinding these Shariah-compliant warrants if there are material adverse changes to their value with the aim to mitigate the risk.

### **Credit and default risk**

Credit risk relates to the creditworthiness of the issuers of the sukuk and Islamic money market instruments and the Financial Institutions where the Islamic deposits are placed (hereinafter referred to as "investment") and their expected ability to make timely payment of profit and/or principal. Any adverse situations faced by the issuer and/or the Financial Institutions may impact the value as well as liquidity of the investment. In the case of rated investments, this may lead to a credit downgrade. Default risk relates to the risk of an issuer and/or Financial Institution either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the investment. This could adversely affect the value of the Fund.

### **Profit rate risk**

Sukuk and Islamic money market instruments are subject to profit rate fluctuations. Generally, movement in profit rates affects the prices of sukuk and Islamic money market instruments inversely. For example, when profit rates rise, prices of sukuk and Islamic money market instruments will fall. The fluctuations of the prices of sukuk and Islamic money market instruments will also have an impact on the NAV of the Fund. This risk can largely be eliminated by holding the sukuk and Islamic money market instruments until their maturity. We also manage profit rate risk by considering each sukuk's and Islamic money market instruments' sensitivity to profit rate changes. When profit rates are expected to increase, the Fund would then likely seek to switch to sukuk and Islamic money market instruments that are less sensitive to profit rate changes. For investments into Islamic deposits, the fluctuations in the profit rates will not affect the placement of Islamic deposits but will result in the opportunity loss by the Fund if the placement of Islamic deposits is made at lower profit rate.

### **Islamic embedded derivatives risk**

The NAV of the Fund will be impacted by the valuation of the Islamic embedded derivatives. Factors that may impact the valuation of the Islamic embedded derivatives will include, but not limited to movement of the underlying assets, volatility of the underlying assets, profit rate levels, the correlation of the underlying assets and other such factors. Any change in the aforesaid factors would either positively or negatively impact the valuation of the Islamic embedded derivatives hence impacting the NAV of the Fund. As such, the Fund's NAV will be exposed to potential price volatility, which will be dependent on the valuation of the Islamic embedded derivatives that the Fund invests in.

**Counterparty risk**

Counterparty risk concerns the Fund's investment in Islamic embedded derivatives and Islamic derivatives (hereinafter referred to as "Investments"). Counterparty risk is prevalent as the Investments are dependent on the ongoing ability and willingness of the Islamic OTC derivative counterparty ("issuer") to fulfil its financial commitment to the Fund in a timely manner. Bankruptcy, fraud or regulatory non-compliance arising out of and/or in connection with the issuer may impair the operations and/or the performance of the Fund. However, we will conduct stringent credit selection process of the issuer of the Investments prior to commencement of Investments and the 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.

**Islamic collective investment scheme risk**

Any adverse effect on the Islamic collective investment scheme which the Fund is investing in will impact the NAV of the Fund. For example, the respective Islamic collective investment schemes may underperform their benchmarks due to poor market conditions and as a result, the NAV of the Fund will be adversely affected as the performance of the Fund is dependent on the performance of the respective Islamic collective investment schemes. In addition, any mismanagement of the Islamic collective investment scheme or poor decisions taken on the Islamic collective investment scheme may adversely affect the NAV of the Islamic collective investment scheme and hence the Fund.

**Country risk**

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

**Currency risk**

As the investments of the Fund may be denominated in currencies other than the Base Currency, any fluctuation in the exchange rate between the Base Currency and the currencies in which the investments are denominated may have an impact on the value of these investments. You should be aware that if the currencies in which the 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 also note that any gain or loss arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.

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 would 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 may affect returns of the respective Hedged-class.

**Legal and Regulatory Risk**

The Fund must comply with regulatory constraints or changes in the laws affecting it or its investment restrictions which might require a change in the investment policy and objective adopted by the Fund. Furthermore, such changes in the laws may have an impact on the market sentiment which may in turn affect the performance of the Fund. It is impossible to predict whether such impact caused by any change in the law will be positive or negative for the Fund. In the worst case scenario, a Unit Holder may lose all his investments in the Fund.

### **Reclassification of Shariah-status Risk**

This risk refers to the risk that the currently held Shariah-compliant securities in the Fund may be reclassified to be Shariah non-compliant in the periodic review of the securities by the SAC of the SC, the Shariah Adviser or the Shariah boards of the relevant Islamic indices. If this occurs, we will take the necessary steps to dispose of such securities. There may be opportunity loss to the Fund due to the Fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant securities. We will be required to dispose of these securities immediately if the prices are above the purchase price. Should the prices be below the purchase price, we may choose to hold on to these holdings until the prices meet the purchase price. Nevertheless, should we decide to dispose of these securities below the purchase price, the Fund will be faced with the risk of realising its losses, thus negatively impacting the NAV of the Fund. Please refer to “*Shariah Investment Guidelines*” of this Prospectus on the Fund’s Shariah methodology on the treatment of gains and losses as a result of the reclassification of Shariah non-compliant securities.

### **Shariah non-compliance risk**

As the Fund can only invest in Shariah-compliant investments, there is always a risk that losses may be suffered by the Fund when we are forced to dispose investments to rectify any Shariah non-compliance. This risk is mitigated through the appointment of a Shariah Adviser, who will be responsible to ensure that the Fund is managed and administered in accordance with Shariah requirements.

### **Sukuk investment risk**

The buying and selling of sukuk carry a number of risks, the most important being the volatility of the debt capital markets on which those sukuk are traded and the general credit risk associated with the issuers of sukuk. Price changes in sukuk are influenced predominantly by profit rate developments in the capital markets, which in turn are influenced by macro-economic factors. As a result, the Fund’s portfolio performance may be affected by significant changes of such factors. In managing sukuk investment risk, the Manager will actively monitor the market developments and may make the necessary adjustments to the portfolio should the need arises. The price changes also depend on the term or residual time to maturity of the sukuk. In general, sukuk with shorter terms have less price risks than sukuk with longer terms.

### **Reinvestment risk**

Reinvestment risk refers to the risk that any distributions or proceeds will be unable to be reinvested at a rate comparable to the current investment’s rate of return. It is the likelihood that cash flows from the investment will earn less in a new security.

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## **RISK MANAGEMENT**

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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 reports to the board compliance and risk management committee on a quarterly basis.

In managing portfolio risks, we engage 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. Regular meetings are held to discuss investment themes and portfolio decisions taken at the meetings are then implemented according to the investment guidelines which also take into account requirements for minimum portfolio diversification across individual investment holdings, sectors, geographies and asset classes (based on the respective portfolio’s objective and strategy). We also practise prudent liquidity management with the objective to ensure that the Fund is able to meet its short-term expenses including repurchase requests by the Unit Holders.

We have in place a system that is able to monitor the transactions to ensure compliance with the Fund's investment limits and restrictions. These limits are system-controlled and not manually tracked, thus reducing the probability of human error occurring in ensuring the Fund's limits and restrictions are adhered to. 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 also have in place a credit risk management process to reduce counterparty risk of Islamic derivatives and Islamic embedded 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 downgrade in the rating of the counterparty may lead to high credit risk, we will not hesitate to take pre-emptive measures to unwind these positions.

We also employ a performance attribution system that enables us to review the performance of the Fund to determine the key factors that have contributed to and detracted from the Fund's performance. This system complements our overall risk management process as the system also provides standard risk analytics on the portfolio such as the Fund's standard deviation, tracking error and measures of excess return. The data produced by the performance attribution system is reviewed regularly and at least on a monthly basis in meetings chaired by the managing director and participated by the portfolio managers and the performance evaluation team.

#### **Liquidity Risk Management**

We have established a 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 20% of its NAV in Islamic money market instruments and/or Islamic 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 the Manager is 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 where the market value or fair value of a material portion of the Fund's assets cannot be determined. During the suspension period, the repurchase requests from the Unit Holders will be accepted but will not be processed. Such repurchase requests will 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 having considered the best interests of Unit Holders.

**! 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 with the Fund. If necessary, you should consult your professional adviser(s) for a better understanding of the risks.**

# ABOUT AHAM AIIMAN GLOBAL THEMATIC MIXED ASSET FUND

**Fund Category** : Mixed Assets (Shariah-compliant)

**Fund Type** : Growth

**Base Currency** : USD

**Financial Year End** : 31 July

**Distribution Policy** :

Institutional Class	Retail Class
The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate.	Subject to the availability of income, the Fund will distribute income on a semi-annual basis, after the end of its first financial year.

**Deed** : Deed dated 21 January 2022 and first supplemental deed dated 28 December 2022.

## INVESTMENT OBJECTIVE

The Fund aims to provide investors with moderate capital growth over medium to long term period.

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

## BENCHMARK

Absolute return of 6% per annum.

*The risk profile of the Fund is not the same as the risk profile of the performance benchmark.*

## ASSET ALLOCATION

- A minimum of 30% and a maximum of 80% of the Fund's NAV will be invested in Shariah-compliant equities;
- A minimum of 20% and a maximum of 60% of the Fund's NAV will be invested in sukuk;
- A maximum of 20% of the Fund's NAV will be invested in Islamic money market instruments and/or Islamic deposits;
- A maximum of 15% of the Fund's NAV will be invested in Shariah-compliant warrants; and
- A maximum of 10% of the Fund's NAV will be invested in Islamic embedded derivatives.

## INVESTMENT STRATEGY

The Fund seeks to achieve its investment objective by investing a minimum of 30% and a maximum of 80% of the Fund's NAV in Shariah-compliant equities, as well as a minimum of 20% and a maximum of 60% of the Fund's NAV in sukuk. The Fund will also invest a maximum of 20% of its NAV in Islamic money market instruments and/or Islamic deposits, a maximum of 15% of the Fund's NAV in Shariah-compliant warrants as well as up to 10% of its NAV in Islamic embedded derivatives.

### Shariah-compliant equity

The Fund adopts a thematic approach in its Shariah-compliant equities selection. The Fund seeks to invest in companies that it believes will enjoy superior growth through their exposure to a number of investment themes which it believes to be powerful and durable and where these growth prospects are not fully reflected in market expectations. These investment themes may include, but may not be limited to, disruption, healthcare innovation, smart manufacturing, changing lifestyles, urbanisation and themes relating to climate, energy transition and sustainability.

## Sukuk

The Fund combines a top-down and bottom-up investment approach to identify Shariah-compliant investment opportunities. Macroeconomic trends and market analysis are the important considerations in deriving the top-down perspective on profit rate outlook, fixed income markets and currency movements. For its bottom-up approach, the Fund would conduct analysis on the issuer(s) to assess its ability to service its financial obligations.

The selection of sukuk will not be constrained by credit ratings of issuances. However, the selection will depend largely on its quality where the respective issuers display strong ability to meet their financial obligations, healthy cash-flow, the collateral type, value, claims priority as well as offer highest safety for timely payment of interest and principal.

In order to achieve a stable return profile and downside risk management, the Fund will also adopt a dynamic asset allocation approach that involves adjusting the Fund's allocation to various asset classes according to prevailing market conditions.

To achieve its investment objective, the Fund will also have the flexibility to hold exposure of up to 20% of the Fund's NAV in Islamic collective investment schemes that have similar investment objective to the Fund. The Fund will also have the flexibility to hold exposure of up to 10% of the Fund's NAV in unlisted Shariah-compliant securities.

### **Foreign Investment**

To meet its investment objective, the Fund may invest up to 100% of its NAV in investments listed or traded globally which are Shariah-compliant. The Fund will only invest in countries which are eligible markets.

### **Islamic Derivatives and Islamic Embedded Derivatives**

Islamic derivatives trades may be carried out for hedging purposes through Islamic financial instruments including, but not limited to, such as Islamic foreign currency forwards, Islamic cross currency swaps and other Islamic derivatives that are approved by the Shariah Adviser. These instruments may be used to hedge the principal and/or the returns of the foreign-currency denominated investments back to the Base Currency. The intention of hedging is to preserve the value of the asset from any adverse price movements. For example, to hedge against foreign currency exchange risk, the Fund may enter into an Islamic foreign currency forward contract to offset any adverse foreign currency movements by determining an agreed rate for an agreed tenure with its counterparty. While the hedging strategy 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.

We may also invest in Islamic embedded derivatives such as Shariah-compliant equity-linked notes. Investment in these Islamic embedded derivatives will provide the Fund with the exposure to the reference asset. Each of these Islamic embedded derivatives has its own targeted maturity and will expose the Fund to the price fluctuations of, in the case of a Shariah-compliant equity-linked note, the reference asset that the Shariah-compliant equity-linked note is linked to. As a result, any fluctuation in the price of the Islamic embedded derivatives may also lead to fluctuations in the NAV of the Fund, i.e. if the price of the Islamic embedded derivatives sees a drop in price, the NAV of the Fund will also be negatively impacted. As the Islamic embedded derivative is structured by an external party, investments in Islamic embedded derivatives will also expose the Fund to counterparty risk, which we will attempt to mitigate by carrying out a stringent selection process on its counterparty prior to an investment being made. Risks associated with the Fund's investments in Islamic embedded derivatives will also be mitigated by limiting the Fund's total exposure to not more than 10% of the Fund's NAV.

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

### Temporary Defensive Position

We hold the option to take temporary defensive positions that may be inconsistent with the Fund's principal investment strategy and asset allocation to protect the Fund against adverse market conditions that may impact the financial markets. To manage the risk of the Fund, we may shift the Fund's assets to be temporarily invested in Islamic money market instruments and/or Islamic deposits.

### Cross Trades Policy

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

## PERMITTED INVESTMENTS

- Shariah-compliant equities ;
- Shariah-compliant equity-related securities such as Shariah-compliant warrants;
- Unlisted Shariah-compliant securities;
- Sukuk;
- Islamic deposits;
- Islamic money market instruments;
- Units or shares in Islamic collective investment schemes;
- Islamic derivatives;
- Islamic embedded derivatives; and
- Any other form of Shariah-compliant investments as may be permitted by the SAC of the SC and/or Shariah Adviser from time to time which is in line with the investment objective of the Fund.

## INVESTMENT RESTRICTIONS AND LIMITS

Subject to the Guidelines, the purchase of permitted investments stated above must not contravene the following limits, unless otherwise revised by the SC from time to time:

- a) The Fund's assets must be relevant and consistent with the investment objective of the Fund;
- b) The aggregate value of the Fund's investments in Shariah-compliant transferable securities that are not traded or dealt in or on under the rules of an eligible market must not exceed 15% of the Fund's NAV, subject to a maximum limit of 10% of the Fund's NAV in a single issuer ("Exposure Limit");
- c) The value of the Fund's investments in Shariah-compliant ordinary shares issued by any single issuer must not exceed 10% of the Fund's NAV;
- d) The value of the Fund's investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV ("Single Issuer Limit"). In determining the Single Issuer Limit, the value of the Fund's investments in instruments in Exposure Limit above issued by the same issuer must be included in the calculation;
- e) The value of the Fund's placement in Islamic deposits with any single Financial Institution must not exceed 20% of the Fund's NAV ("Single Financial Institution Limit");
- f) The Single Financial Institution Limit does not apply to placements of Islamic 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 Islamic 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 Islamic deposits with various Financial Institutions would not be in the best interests of Unit Holders.

- g) For investment in Islamic derivatives/Islamic embedded derivatives, the exposure to the underlying assets of that Islamic derivatives/ Islamic embedded derivatives must not exceed the investment restrictions or limitations applicable to such underlying assets and investments as stipulated in the Guidelines and the value of the Fund's OTC Islamic derivative transaction with any single counterparty must not exceed 10% of the Fund's NAV;
- h) The Fund's global exposure from derivatives position shall not exceed the Fund's NAV at all times;
- i) The aggregate value of the Fund's investments in, or exposure to, a single issuer through Shariah-compliant transferable securities, Islamic money market instruments, Islamic deposits, underlying assets of Islamic derivatives and counterparty exposure arising from the use of OTC Islamic derivatives must not exceed 25% of the Fund's NAV ("Single Issuer Aggregate Limit"). In determining the Single Issuer Aggregate Limit, the value of the Fund's investments in instruments in Exposure Limit above issued by the same issuer must be included in the calculation;
- j) The value of the Fund's investments in units or shares of an Islamic collective investment scheme must not exceed 20% of the Fund's NAV provided that the Islamic collective investment scheme complies with the requirements of the Guidelines;
- k) The value of the Fund's investments in units or shares of an Islamic collective investment scheme that invests in real estate must not exceed 15% of the Fund's NAV;
- l) The value of the Fund's investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV ("Group Limit"). In determining the Group Limit, the value of the Fund's investments in instruments in Exposure Limit above issued by the issuers within the same group of companies must be included in the calculation;
- m) The Shariah-compliant warrants that the Fund invests in shall carry the right in respect of a security traded in or under the rules of an eligible market;
- n) The Fund's investments in Shariah-compliant shares or Shariah-compliant securities equivalent to Shariah-compliant shares must not exceed 10% of the Shariah-compliant shares or Shariah-compliant securities equivalent to Shariah-compliant shares, as the case may be, issued by a single issuer;
- o) The Fund's investments in sukuk must not exceed 20% of the sukuk issued by any single issuer. This limit may be disregarded at the time of acquisition if at that time of acquisition the gross amount of sukuk in issue cannot be determined;
- p) The Fund's investments in Islamic money market instruments must not exceed 10% of the Islamic money market instruments issued by any single issuer. This limit does not apply to Islamic money market instruments that do not have a pre-determined issue size;
- q) The Fund's investments in Islamic collective investment scheme must not exceed 25% of the units/shares in the Islamic collective investment scheme;
- r) The following shall apply in relation to the Fund in addition to the investment restrictions and limits set out above:
  - (i) The Single Issuer Limit 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;
  - (ii) Where the Single Issuer Limit is increased to 35% of the Fund's NAV, the Single Issuer Aggregate Limit may be raised, subject to the Group Limit not exceeding 35% of the Fund's NAV; and
- s) Any other investment limits or restrictions imposed by the Guidelines which is applicable to the Fund.

Please note that the above restrictions and limits do not apply to Shariah-compliant securities or Shariah-compliant instruments issued or guaranteed by the Malaysian government or Bank Negara Malaysia.

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; (c) change in capital of a corporation in which the Fund has invested in; or (d) 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.



At all times, the Fund shall invest in activities and instruments that are allowed under Shariah principles and shall not invest in activities and instruments that are prohibited under Shariah principles based on the Shariah Adviser's established parameters as below, where applicable.

The following matters are adopted by the Shariah Adviser in determining the Shariah status of the Fund's investments.

### ***Investment in Malaysia***

#### **Equity**

The Fund will invest based on a list of listed Shariah-compliant equities (inclusive of Shariah-compliant warrant) issued by the SAC of the SC.

For initial public offering (IPO) companies which Shariah status have yet to be determined by the SAC of the SC and unlisted Shariah-compliant equities, the Shariah Adviser adopts the following analysis as a temporary measure in determining its Shariah status until the SAC of the SC releases the Shariah status of the respective companies.

#### (1) Qualitative analysis

In this analysis, the Shariah Adviser will look into aspects of general public perception of the companies' images, core businesses which are considered important and *maslahah* (beneficial) to the Muslim *ummah* (nation) and the country. The non-permissible elements are very small and involve matters like *umum balwa* (common plight and difficult to avoid), *'uruf* (custom) and rights of the non-Muslim community which are accepted under the Shariah.

#### (2) Quantitative analysis

Companies which passed the above qualitative analysis will be further subjected to quantitative analysis. The Shariah Adviser deduces the following to ensure that they are lower than the Shariah tolerable benchmarks:

##### (a) Business activity benchmarks

The 5 per cent benchmark would be applicable to the following business activities:

- Conventional banking and lending;
- Conventional insurance;
- Gambling;
- Liquor and liquor-related activities;
- Pork and pork-related activities;
- Non-halal food and beverages;
- Shariah non-compliant entertainment;
- Tobacco and tobacco-related activities;
- Interest income from conventional accounts and instruments (including interest income awarded arising from a court judgement or arbitrator);
- Dividends from Shariah non-compliant investments; and
- Other activities deemed non-compliant according to Shariah principles as determined by the SAC of the SC.

The 20 per cent benchmark would be applicable to the following activities:

- Share trading;
- Stockbroking business;
- Rental received from Shariah non-compliant activities; and
- Other activities deemed non-compliant according to Shariah principles as determined by the SAC of the SC.

The above-mentioned contribution of Shariah non-compliant businesses/activities to the overall revenue/sales/turnover/income and profit before tax of the companies will be calculated and compared against the relevant business activity benchmarks i.e. must be less than 5 per cent and less than 20 per cent respectively as stated above.

(b) Financial ratio benchmarks

The financial ratios applied are as follows:

- Cash over total assets:  
Cash will only include cash placed in conventional accounts and instruments, whereas cash placed in Islamic accounts and instruments will be excluded from the calculation.
- Debt over total assets:  
Debt will only include interest-bearing debt whereas Islamic financing or sukuk will be excluded from the calculation.

Each of these ratios, which are intended to measure *riba'* and *riba'*-based elements within a company's statement of financial position, must be less than 33 per cent. Should any of the above deductions fail to meet the benchmarks, the Shariah Adviser will not accord Shariah-compliant status for the companies.

***Foreign Investment***

The Fund shall invest in securities (inclusive of Shariah-compliant warrant) listed under the list of Shariah-compliant securities issued by any Shariah indices commonly accepted and recognised internationally including but not limited to Dow Jones Islamic Market World Index.

Any foreign securities which are not certified by the local Shariah governing bodies of the respective countries or listed under the list of Shariah-compliant securities issued by Shariah indices recognized internationally shall be determined in accordance with the ruling issued by the Shariah Adviser as follows:

(1) Sector-based screens

The Shariah investment guidelines do not allow investment in companies which are directly active in, or derive more than 5% of their revenue or profit before taxation (cumulatively) from, the following activities ("prohibited activities"):

- Alcohol;
- Tobacco;
- Pork-related products;
- Conventional financial services (banking, insurance, etc.);
- Weapons and defense; and
- Entertainment (hotels, casinos/gambling, cinema, pornography, music, etc).

(2) Accounting-based screens

The accounting-based screens applied are as follows and must be less than 33%:

- (a) Total debt over trailing 24-months average market capitalization;
- (b) The sum of a company's cash and interest-bearing securities divided by trailing 24-months average market capitalization; and
- (c) Accounts receivables divided by trailing 24-months average market capitalization.

Should any of the above deductions fail to meet the benchmarks, the Shariah Adviser will not accord Shariah-compliant status for the companies.

The Fund is to acquire only the following Shariah-compliant instruments:

### **1. Sukuk**

Sukuk are certificates that provide evidence of an investment into an underlying asset or a project which is typically an income generating asset or project. The Fund will only invest in sukuk which is approved by the SAC of the SC, Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and/or other Shariah boards/standards acceptable to the Shariah Adviser.

### **2. Investment in Islamic Deposits**

Islamic deposits shall be placed with financial institutions licensed under the Islamic Financial Services Act 2013 and/or Financial Services Act 2013, whichever is appropriate. For the avoidance of doubt, only Islamic account is permitted for placement of deposits with institutions licensed under the Financial Services Act 2013. The Fund is also prohibited from investing in interest-bearing deposits and recognizing any interest income.

### **3. Islamic Money Market Instruments**

The Fund will invest in Islamic money market instruments approved by the SAC of BNM and/or Shariah Adviser. The Shariah Adviser will review any Islamic money market instruments to be invested by the Fund based on the data available at:

- Bond info hub ([www.bondinfo.bnm.gov.my](http://www.bondinfo.bnm.gov.my))
- Fully automated system for issuing/tendering (<http://fast.bnm.gov.my>)

For investment in foreign markets, Islamic money market instruments that are endorsed by other Shariah adviser or committee must be approved by the Shariah Adviser upon review of the relevant documents e.g. principal terms and conditions and Shariah pronouncements or approvals.

### **4. Investment in Islamic Collective Investment Schemes**

The Fund shall only invest in Islamic collective investment schemes which must be regulated and registered or authorised or approved by the relevant authority in its home jurisdiction.

### **5. Islamic Derivatives**

Islamic derivatives that are endorsed by other Shariah advisers or committees must be approved by the Shariah Adviser upon review of the relevant documents e.g. principal terms and conditions and Shariah pronouncements or approvals.

### **6. Islamic Embedded Derivatives**

Islamic embedded derivatives that are endorsed by other Shariah advisers or committees must be approved by the Shariah Adviser upon review of the relevant documents e.g. principal terms and conditions and Shariah pronouncements or approvals.

### **Any other Shariah-compliant investments**

For avoidance of doubt, the documents relating to the Shariah-compliant liquidity management instrument should be submitted for prior approval by the Shariah Adviser.

Where the Shariah Adviser requests a change to the Shariah investment guidelines, it shall give the Manager a reasonable period of time to effect such change in this Prospectus in accordance with the requirements of any applicable law and regulation.

## Purification Process for the Fund

### (a) Shariah Non-compliant Investment

This refers to Shariah non-compliant investment made by the Manager, if applicable. The said investment will be disposed of or withdrawn with immediate effect or within a month of knowing the status of the investment. In the event of the investment resulted in gain (through capital gain and/or dividend and/or profit) received before or after the disposal of the investment, the gain is to be channeled to baitulmal and/or any other charitable bodies as advised by the Shariah Adviser. The Fund has the right to retain only the investment cost. If the disposal of the investment resulted in losses to the Fund(s), the losses are to be borne by the Manager.

### (b) Reclassification of Shariah Status of the Fund's Investment

These refer to securities which were earlier classified as Shariah-compliant but due to certain factors, such as changes in the companies' business operations and financial positions, are subsequently reclassified as Shariah non-compliant. In this regard, if on the date the Shariah-compliant securities turned Shariah non-compliant, the respective market price of Shariah non-compliant securities exceeds or is equal to the investment cost, the Fund that hold such Shariah non-compliant securities must dispose them off. Any dividends received up to the date of the announcement/review and capital gains arising from the disposal of the Shariah non-compliant securities on the date of the announcement/review can be kept by the Fund.

However, any dividends received and excess capital gain from the disposal of Shariah non-compliant securities after the date of the announcement/review at a market price that is higher than the closing price on the date of the announcement/review should be channeled to baitulmal and/or charitable bodies advised by the Shariah Adviser.

On the other hand, the Fund is allowed to hold its investment in the Shariah non-compliant securities if the market price of the said securities is below the Fund's investment costs. It is also permissible for the Fund to keep the dividends received during the holding period until such time when the total amount of dividends received and the market value of the Shariah non-compliant securities held equal the investment cost. At this stage, they are advised to dispose of their holding.

In addition, during the holding period, the Fund is allowed to subscribe to:

- (a) any issue of new Shariah-compliant securities by a company whose Shariah non-compliant securities are held by the Fund, for example rights issues, bonus issues, special issues and warrants (excluding Shariah-compliant securities whose nature is Shariah non-compliant e.g. loan stocks); and
- (b) Shariah-compliant securities of other companies offered by the company whose Shariah non-compliant securities are held by the Fund,

on condition that it expedite the disposal of the Shariah non-compliant securities.

Where the Fund invests in securities (save for sukuk, money market instruments, deposit, liquid assets and equities or equities related i.e. warrants, right issue etc) earlier classified as Shariah-compliant but considered to have become Shariah non-compliant (by the Shariah adviser appointed by the issuer of that security) then guidance from the Shariah Adviser should be obtained.

Where the Fund invests in sukuk, money market instruments, deposits, liquid assets or equities or equities related earlier classified as Shariah-compliant that are subsequently determined, regarded or deemed to be Shariah non-compliant as a result of a new or previously unknown fatwa/ruling and/or upon advice by the Shariah Adviser, the Manager would be required to sell such sukuk, money market instruments or equities or equities related, or withdraw such deposits, or liquid assets, as soon as practicable of having notice, knowledge or advice of the status of such instruments. Any profit/gain received from such instruments prior to the occurrence of the aforesaid event shall be retained by the Fund. Any profit/gain received subsequent to the occurrence of the aforesaid event shall be channelled to baitulmal and/or charitable bodies, as advised by the Shariah Adviser.

**The investment portfolio of the Fund comprises of instruments that are classified as Shariah-compliant by the SAC of the SC, where applicable by the SAC of BNM or by any Shariah indices recognized internationally including but not limited to Dow Jones Islamic Market World Index. For instruments which are not classified as Shariah-compliant by the SAC of the SC, where applicable by the SAC of BNM or by any Shariah indices recognized internationally including but not limited to Dow Jones Islamic Market World Index, the instruments will be determined in accordance with the ruling by the Shariah Adviser.**

## VALUATION OF THE FUND

We will ensure that the valuation of the Fund is carried out in a fair manner in accordance to the relevant laws and the Guidelines. We will obtain the daily price or value of the assets for the purpose of valuing the Fund in accordance to 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.

### ➤ **Listed Shariah-compliant securities**

Valuations of investment in listed Shariah-compliant securities shall be based on the closing price or last known transacted price on the eligible market on which the investment is quoted. If the price is not representative of its fair value or is not available to the market, including in the event of suspension in the quotation of the listed Shariah-compliant securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, the investments will be valued at fair value as determined in good faith by the Manager and its delegate, based on the methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

### ➤ **Unlisted Shariah-compliant securities**

For unlisted MYR denominated Sukuk, valuation will be done by using the price quoted by a bond pricing agency ("BPA") registered with the SC. For non-MYR denominated unlisted Sukuk, valuation will be based on the average indicative price quoted by independent and reputable 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.

For other unlisted Shariah-compliant securities, valuations will be based on fair value as 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.

### ➤ **Islamic deposits**

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

### ➤ **Islamic money market instruments**

Valuation of MYR denominated Islamic money market instruments will be done using the price quoted by a BPA registered with the SC. For non-MYR denominated Islamic money market instruments, valuation will be done using an average of quotations provided by reputable Financial Institutions. Where the Manager is of the view that the price quoted by BPA differs from their fair value or where reliable market quotations are not available, the fair value will be determined in good faith by the Manager. This may be determined by reference to the valuation of other Islamic money market instruments which are comparable in rating, yield, expected maturity date and/or other characteristic.

### ➤ **Islamic collective investment schemes**

Unlisted Islamic collective investment schemes will be valued based on the last published repurchase price.

For listed Islamic collective investment schemes, valuation will be done in the similar manner used in the valuation of listed Shariah-compliant securities" described above.

### ➤ **Islamic derivatives and Islamic embedded derivatives**

The valuation of Islamic derivatives and Islamic embedded 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 Islamic derivatives and Islamic embedded derivatives (e.g. profit rates, movement of the underlying assets, volatility of the underlying assets, the correlation of the underlying assets and such other factors). For foreign exchange Islamic 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 on fair value as 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.

➤ **Any other Shariah-compliant investments**

Fair value as determined in good faith by us, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

*Investors are advised that certain types of securities are required to be held until such securities mature for the “actual value” to be realised. Any sale of such securities prior to its maturity may attract costs and penalties that would result in a value which is less than its “actual value”. As such, any valuation of such securities (prior to its maturity) are merely indicative of what the value might be and does not represent the “actual value” of such securities.*

## 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 last available 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 seek financing in cash or borrow other assets in connection with its activities. However, the Fund may seek cash financing for the purpose of meeting repurchase requests for Units and for bridging requirements and such cash financings are subjected to the following:-

- the Fund’s cash financing is only on a temporary basis and that financings are not persistent;
- the financing period should not exceed one (1) month;
- the aggregate financings of the Fund should not exceed 10% of the Fund’s NAV at the time the financing is incurred; and
- the Fund may only obtain Shariah-compliant financing from Financial Institutions.

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

## ZAKAT FOR THE FUND

The Fund does not pay zakat on behalf Muslim individuals and Islamic legal entities who are Unit Holders. Muslim Unit Holders may request the Manager to pay zakat on their behalf from their investment holdings in any of the Islamic funds subject to the terms and conditions prescribed by the Manager of the Fund

The Unit Holders may refer to the website of the Manager at [www.aham.com.my](http://www.aham.com.my) for more information on the zakat payment.

**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.



**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?

#### Retail Class

- 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.

#### Institutional Class

- A corporation such as registered businesses, co-operative, foundations and trusts that can meet the minimum initial investment.

### HOW TO PURCHASE UNITS?

- If you intend to invest in a Class other than MYR Hedged-class, you are required to have a foreign currency account with any Financial Institution as all transactions relating to any foreign currency will ONLY be made via telegraphic transfers.
- You may submit the purchase request by completing an application form and returning it to us between 8.45 a.m. and 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 documents before we process the purchase application.

Individual or Jointholder	Corporation
<ul style="list-style-type: none"> <li>• Account opening form;</li> <li>• Suitability assessment form;</li> <li>• Personal data protection notice form;</li> <li>• A copy of identity card or passport or any other document of identification; and</li> <li>• Foreign Account Tax Compliance Act ("FATCA") and Common Reporting Standard ("CRS") Self-certification Form.</li> </ul>	<ul style="list-style-type: none"> <li>• Account opening form;</li> <li>• Suitability assessment form;</li> <li>• Personal data protection notice form;</li> <li>• Certified true copy of memorandum and articles of association*;</li> <li>• Certified true copy of certificate of incorporation*;</li> <li>• Certified true copy of form 24 and form 49*;</li> <li>• Certified true copy of form 8, 9, 13, 20 and 44 (where applicable)*;</li> <li>• Latest audited financial statement;</li> <li>• Board resolution relating to the investment;</li> <li>• A list of the authorised signatories;</li> <li>• Specimen signatures of the respective signatories; and</li> <li>• Foreign Account Tax Compliance Act ("FATCA") and Common Reporting Standard ("CRS") Self-certification Form.</li> </ul> <p><i>* or any other equivalent documentation issued by the authorities.</i></p>

## 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. You may obtain our bank account details from our online download center at [www.aham.com.my](http://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 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?

	Institutional Class	Retail Class			
	USD Class	USD Class	MYR Hedged-class	SGD Hedged-class	AUD Hedged-class
Minimum Initial Investment*	USD 10,000,000	USD 1,000	MYR 1,000	SGD 1,000	AUD 1,000
Minimum Additional Investment*	USD 1,000	USD 100	MYR 100	SGD 100	AUD 100
Minimum Units for Repurchase*	2,000 Units	2,000 Units	2,000 Units	2,000 Units	2,000 Units
Minimum Holding of Units*	20,000,000 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:

Class(es)	Institutional Class	Retail Class			
	USD Class	USD Class	MYR Hedged-class	SGD Hedged-class	AUD Hedged-class
NAV per Unit	USD 0.50	USD 0.50	MYR 0.50	SGD 0.50	AUD 0.50
Currency exchange rate	USD 1= USD 1	USD 1= USD 1	USD 1 = MYR 4	USD 1 = SGD 2	USD 1 = AUD 2
Invested amount	USD 10,000 x USD 1 = USD 10,000	USD 10,000 x USD 1 = USD 10,000	USD 10,000 x MYR 4 = MYR 40,000	USD 10,000 x SGD 2 = SGD 20,000	USD 10,000 x AUD 2 = AUD 20,000
Units received	USD 10,000 ÷ USD 0.50 = 20,000 Units	USD 10,000 ÷ USD 0.50 = 20,000 Units	MYR 40,000 ÷ MYR 0.50 = 80,000 Units	SGD 20,000 ÷ SGD 0.50 = 40,000 Units	AUD 20,000 ÷ AUD 0.50 = 40,000 Units

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. 40,000 Units) and AUD Hedged-class (i.e. 40,000 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. We may, with the consent of the Trustee, reserve the right to defer your repurchase request if such transaction would adversely affect the Fund or the interests of the Unit Holders.
- You may submit the repurchase request by completing a transaction form and returning it to us between 8.45 a.m. and 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 you.

#### **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 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").
- Repurchase of Units must be made in terms of Units or value, provided it meets the minimum repurchase amount of the Class.
- 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 seven (7) Business Days from the day the repurchase request is received by us, provided that all documentations are completed and verifiable.

#### **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](http://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. and 5.30 p.m. on a Business Day. Alternatively, you can email us at [customercare@aham.com.my](mailto:customercare@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 imposed on the day those Units were 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 our 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 unit trust 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 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:

Institutional Class	Retail Class			
	USD Class	MYR Hedged-class	SGD Hedged-class	AUD Hedged-class
20,000,000 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

**Switching from an Islamic fund to a conventional fund is discouraged for Muslim Unit Holders.**

## 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. There is no minimum amount of Units required to effect a transfer except that the transferor and transferee must hold the minimum holdings 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, where there is good and sufficient reason to do so. 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 dealing 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

Institutional Class	Retail Class
The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate.	Subject to the availability of income, the Fund will distribute income on a semi-annual basis, after the end of its first financial year.

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 USD/MYR/SGD/AUD 300.00 will be automatically reinvested on your behalf.

Notwithstanding the above, we may also reinvest the distribution proceeds which remain unclaimed after twelve (12) months from the date of payment, provided that you still have an account with us.

### 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 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 twelve (12) months from the date of payment will be dealt as follows:-

- a) we may reinvest the unclaimed distribution proceeds provided that you still have an account with us; or
- b) we will pay 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 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 the 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

Institutional Class	Retail Class
<p>The annual management fee is up to 0.55% per annum of the NAV of the Class and is calculated using the Base Currency (before deducting the management fee and trustee fee). The management fee is calculated and accrued daily and payable monthly to the Manager.</p> <p><i>Please note that the example below is for illustration only:</i></p> <p>Assuming that the NAV of the Class is USD 200 million for that day, the accrued management fee for that day would be:</p> $\frac{\text{USD } 200,000,000 \times 0.55\%}{365 \text{ days}} = \text{USD } 3,013.70 \text{ per day}$	<p>The annual management fee is up to 1.50% per annum of the NAV of the Class and is calculated using the Base Currency (before deducting the management fee and trustee fee). The management fee is calculated and accrued daily and payable monthly to the Manager.</p> <p><i>Please note that the example below is for illustration only:</i></p> <p>Assuming that the NAV of the Class is USD 200 million for that day, the accrued management fee for that day would be:</p> $\frac{\text{USD } 200,000,000 \times 1.50\%}{365 \text{ days}} = \text{USD } 8,219.18 \text{ per day}$

## ANNUAL TRUSTEE FEE

Institutional Class	Retail Class
<p>The annual trustee fee is up to 0.04% per annum of the NAV of the Fund (excluding foreign custodian fees and charges) and is calculated using the Base Currency (before deducting the management fees and trustee fee). 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.</p> <p><i>Please note that the example below is for illustration only:</i></p> <p>Assuming that the NAV of the Fund is USD 200 million for that day, the accrued trustee fee for that day would be:</p> $\frac{\text{USD } 200,000,000 \times 0.04\%}{365 \text{ days}} = \text{USD } 219.18 \text{ per day}$ <p>The trustee fee is apportioned to each Class based on the multi-class ratio.</p>	

## 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 or dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- (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;
- 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 the fund valuation and accounting of the Fund performed by a fund valuation agent;
- 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 and expenses incurred in relation to the distribution of income (if any); and
- Other fees or expenses related to the Fund allowed under the Deed.

## 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 should be directed to the account of the Fund.

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

- 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	Institutional Class	Retail Class			
		USD Class	USD Class	MYR Hedged-class	SGD Hedged-class	AUD Hedged-class
	(USD)	(USD)	(USD)	(USD)	(USD)	(USD)
Value of the Fund/Class before Income and Expenses	154,200,000.00	77,100,000.00	15,420,000.00	30,840,000.00	15,420,000.00	15,420,000.00
<b>Multi-class ratio*</b>	<b>100.00%</b>	<b>50%</b>	<b>10%</b>	<b>20%</b>	<b>10%</b>	<b>10%</b>
Add: Income	2,500,000.00	1,250,000.00	250,000.00	500,000.00	250,000.00	250,000.00
Gross asset value	156,700,000.00	78,350,000.00	15,670,000.00	31,340,000.00	15,670,000.00	15,670,000.00
Less: Fund expenses	(80,000.00)	(40,000.00)	(8,000.00)	(16,000.00)	(8,000.00)	(8,000.00)
<b>NAV of the Fund (before deduction of management and trustee fees)</b>	<b>156,620,000.00</b>	<b>78,310,000.00</b>	<b>15,662,000.00</b>	<b>31,324,000.00</b>	<b>15,662,000.00</b>	<b>15,662,000.00</b>
Less: Management fee (0.55% p.a. for Institutional Class; 1.50% p.a. for Retail Class) for the day	(4,398.22)	(1,180.01)	(643.64)	(1,287.29)	(643.64)	(643.64)
Less: Trustee fee (0.04% p.a.) for the day	(171.63)	(85.82)	(17.16)	(34.33)	(17.16)	(17.16)
<b>NAV of the Fund (after deduction of management and trustee fees)</b>	<b>156,615,430.15</b>	<b>78,308,734.17</b>	<b>15,661,339.20</b>	<b>31,322,678.38</b>	<b>15,661,339.20</b>	<b>15,661,339.20</b>
Total Units in Circulation for that day	435,000,000	217,500,000	43,500,000	87,000,000	43,500,000	43,500,000
NAV per Unit in Base Currency**		0.3600	0.3600	0.3600	0.3600	0.3600
Currency exchange rate		USD 1= USD 1	USD 1= USD 1	USD 1 = MYR 4	USD 1 = SGD 2	USD 1 = AUD 2
<b>NAV per Unit in currency Class***</b>		<b>USD 0.3600</b>	<b>USD 0.3600</b>	<b>MYR 1.4400</b>	<b>SGD 0.7200</b>	<b>AUD 0.7200</b>



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 from NAV of the particular Class divided by Units in circulation for 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.

Forward Pricing will be used to determine the Selling Price and the Repurchase Price of the Fund, which is 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	Institutional Class	Retail Class			
	USD Class	USD Class	MYR Hedged-class	SGD Hedged-class	AUD Hedged-class
Investment Amount	USD 10,000	USD 10,000	MYR 10,000	SGD 10,000	AUD 10,000
Selling Price per Unit	USD 0.5000	USD 0.5000	MYR 0.5000	SGD 0.5000	AUD 0.5000
Number of Units Received*	$\text{USD } 10,000 \div \text{USD } 0.5000$ = 20,000 Units	$\text{USD } 10,000 \div \text{USD } 0.5000$ = 20,000 Units	$\text{MYR } 10,000 \div \text{MYR } 0.5000$ = 20,000 Units	$\text{SGD } 10,000 \div \text{SGD } 0.5000$ = 20,000 Units	$\text{AUD } 10,000 \div \text{AUD } 0.5000$ = 20,000 Units
Sales Charge	5.50%	5.50%	5.50%	5.50%	5.50%
Sales Charge Paid By Investor**	$5.50\% \times \text{USD } 0.5000 \times 20,000$ Units = USD 550	$5.50\% \times \text{USD } 0.5000 \times 20,000$ Units = USD 550	$5.50\% \times \text{MYR } 0.5000 \times 20,000$ Units = MYR 550	$5.50\% \times \text{SGD } 0.5000 \times 20,000$ Units = SGD 550	$5.50\% \times \text{AUD } 0.5000 \times 20,000$ Units = AUD 550
Total Amount Paid By Investor***	$\text{USD } 10,000 + \text{USD } 550$ = USD 10,550	$\text{USD } 10,000 + \text{USD } 550$ = USD 10,550	$\text{MYR } 10,000 + \text{MYR } 550$ = MYR 10,550	$\text{SGD } 10,000 + \text{SGD } 550$ = SGD 10,550	$\text{AUD } 10,000 + \text{AUD } 550$ = AUD 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	Institutional Class	Retail Class			
	USD Class	USD Class	MYR Hedged-class	SGD Hedged-class	AUD Hedged-class
Units Repurchased	20,000 Units	20,000 Units	20,000 Units	20,000 Units	20,000 Units
Repurchase Price per Unit	USD 0.5000	USD 0.5000	MYR 0.5000	SGD 0.5000	AUD 0.5000
Repurchase Amount^	$20,000 \text{ Units} \times \text{USD } 0.5000$ = USD 10,000	$20,000 \text{ Units} \times \text{USD } 0.5000$ = USD 10,000	$20,000 \text{ Units} \times \text{MYR } 0.5000$ = MYR 10,000	$20,000 \text{ Units} \times \text{SGD } 0.5000$ = SGD 10,000	$20,000 \text{ Units} \times \text{AUD } 0.5000$ = AUD 10,000
Repurchase Charge	0.00%	0.00%	0.00%	0.00%	0.00%
Repurchase Charge Paid By Investor^^	$0.00\% \times \text{USD } 10,000$ = USD 0.00	$0.00\% \times \text{USD } 10,000$ = USD 0.00	$0.00\% \times \text{MYR } 10,000$ = MYR 0.00	$0.00\% \times \text{SGD } 10,000$ = SGD 0.00	$0.00\% \times \text{AUD } 10,000$ = AUD 0.00
Total Amount Received By Investor^^^	$\text{USD } 10,000 - \text{USD } 0.00$ = USD 10,000	$\text{USD } 10,000 - \text{USD } 0.00$ = USD 10,000	$\text{MYR } 10,000 - \text{MYR } 0.00$ = MYR 10,000	$\text{SGD } 10,000 - \text{SGD } 0.00$ = SGD 10,000	$\text{AUD } 10,000 - \text{AUD } 0.00$ = AUD 10,000

Formula for calculating:-

$$\text{^ Repurchase amount} = \text{Units repurchased} \times \text{Repurchase Price per Unit}$$

$$\text{^^ Repurchase Charge paid by investor} = \text{Repurchase Charge} \times \text{Repurchase amount}$$

$$\text{^^^ Total amount received by investor} = \text{Repurchase amount} - \text{Repurchase Charge paid by investor}$$

# 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), 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 of the Fund or a Class, as the case may be, shall be five (5) Unit Holders (irrespective of the Class), whether present in person or by proxy; however, if the Fund or a Class, as the case may be, 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, as the case may be, 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 a particular Class, as the case may be, at the time of the meeting.
- (c) If the Fund or a Class, as the case may be, has only one (1) remaining Unit Holder, 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, as the case may be.

### 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), whichever is less, of all the Unit Holders of the Fund or of a particular Class, as the case may be, at the registered office of the Manager, summon a meeting of the Unit Holders of the Fund or of that Class, as the case may be, 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 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;
- 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 national 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 consultation with the Trustee, determine the trust and wind up the Fund without having to obtain the prior approval of the Unit Holders 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 Holder, 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 consultation with the Trustee, determine a Class without having to obtain the prior approval of the Unit Holders 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 Class and the termination of the Class is in the best interests of the Unit Holders.

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

In the event of the trust being terminated:

- the Trustee shall be at liberty to call upon the Manager to grant the Trustee, and the Manager shall so grant, a full and complete release from the Deed;
- the Manager shall indemnify the Trustee against any claims arising out of the Trustee's execution of the Deed provided always that such claims have not been caused by any failure on the part of the Trustee to exercise the degree of care and diligence required of a trustee as contemplated by the Deed and all relevant laws;
- the Manager and the Trustee shall notify the relevant authorities in such manner as may be prescribed by any relevant law; and
- the Manager or the Trustee shall notify the Unit Holders in such manner as may be prescribed by any relevant law.

### 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 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:

Classes	Institutional Class	Retail Class			
	USD Class	USD Class	MYR Hedged-class	SGD Hedged-class	AUD Hedged-class
<b>Sales Charge</b>	6.00% of the NAV per Unit.				
<b>Repurchase Charge</b>	5.00% of the NAV per Unit.				
<b>Annual Management Fee</b>	5.00% per annum of the NAV of the Fund.				
<b>Annual Trustee Fee</b>	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, takaful 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 (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 members of a 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 (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 under the Companies Act 1965 (now known as the Companies Act 2016) 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 USD125 billion of assets under its management. AHAM is also 27% owned by Nikko Asset Management International Limited, a wholly-owned subsidiary of Tokyo-based Nikko Asset Management Co., Ltd., an Asian investment management franchise.

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 seven (7) main sales offices located in Peninsular and East Malaysia. The sales offices are in 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 twenty-five (25) 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 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](http://www.aham.com.my).**

# THE EXTERNAL FUND MANAGER AND INVESTMENT ADVISER

## ABOUT AIIMAN

AIIMAN is an Islamic investment management company managing assets for pension funds, institutions, corporates, high net worth and mass affluent individuals. Headquartered in the world's Islamic financial hub Kuala Lumpur, Malaysia, AIIMAN is focused on providing clients exceptional and innovative Shariah investment solutions that focus on Asian equities and global sukuk. AIIMAN is licensed by the SC to undertake the regulated activity of Islamic fund management on 17 November 2008 and is a wholly owned subsidiary of AHAM of which its ultimate shareholder is CVC Capital Partners Asia Fund V, a private equity fund managed by CVC Capital Partners ("CVC"). CVC is a global private equity and investment advisory firm with approximately USD125 billion of assets under its management. As at LPD, AIIMAN has more than eleven (11) years' experience in fund management industry. AIIMAN also received the SC's approval on 27 December 2018 to carry out the activity as a unit trust management company.

### Duties and Responsibilities of AIIMAN

AHAM has delegated the investment management function of the Fund to AIIMAN. Some of the main duties of AIIMAN for this delegated role are as follows:-

- to comply with the operations procedures and invest the Fund in accordance with the investment objective of the Fund, the "Permitted Investments" and "Investment Restrictions and Limits" sections in this Prospectus and the Guidelines;
- to exercise due care and vigilance in carrying out its function and duties and comply with the relevant laws, directives and guidelines issued by the relevant authorities from time to time;
- to employ an appropriate investment process for the Fund;
- to seek to invest in assets which are in the External Fund Manager's opinion, the most appropriate assets in relation to the Fund's objective; and
- to report to the Manager on a periodic basis for oversight and monitoring purposes, including to discuss and review the performance of the Fund and its strategies.

### Key Personnel of the Management Team

#### Akmal Hassan – Managing Director

Akmal Hassan is one of the three pioneering senior members in the establishment of AIIMAN. He took over the helm as its Chief Executive Officer and Executive Director on 18 November 2010. Under his management, the business has since turned profitable. As the Managing Director of AIIMAN, Akmal is actively involved in all aspects of the business' day-to-day management from leading the investment team, driving marketing strategies to building the business to guiding the back office team. He believes in development through empowerment and synergy with a clear focus on delivering positive results, from investment performance, asset under management growth, adding value to AIIMAN's shareholders as well as contributing to the government's push to develop Malaysia as the global international Islamic financial hub. Akmal is the driving force behind the strong returns and low volatility performance of its investment portfolios as well as AHAM's award winning Shariah unit trust funds. People and performance are the source of AIIMAN's success today. Prior to his current appointment, Akmal was the Chief Investment Officer at a subsidiary of a local Islamic Bank. He has more than twenty (20) years' experience in the investment management industry primarily in portfolio management, investment research and marketing strategy. Akmal graduated from Oklahoma State University, USA with a degree in Business Administration, majoring in Finance (BSc). He completed his Master in Business Administration (MBA) at the University of the Sunshine Coast, Queensland, Australia. **Akmal is the designated external fund manager for the Fund.**

## THE INVESTMENT ADVISER

AHAM has appointed Schroder Investment Management (Singapore) Ltd (“Schroders Singapore”) as the investment adviser for the Fund. Schroders Singapore is a wholly-owned subsidiary of Schroders plc (“Schroders”) and has been operating in Singapore since the 1970s.

Schroders Singapore was incorporated in 1992 and has been managing collective investment schemes and discretionary funds in Singapore since 1992. Schroders Singapore is licensed and regulated by the Monetary Authority of Singapore.

Schroders is a leading global asset management company, whose history dates back over two hundred (200) years. Schroders plc, is and has been listed on the London Stock Exchange since 1959.

The role and responsibilities of the Investment Adviser include but are not limited to providing the following investment advisory services to the External Fund Manager in connection with the Fund:

- i. advising on the asset allocation between equities, sukuk, cash and other diversifying assets, including allocation to currencies and/or foreign currency hedging, where required; and
- ii. advising on a model portfolio of equity securities.

**For further information on the External Fund Manager including material litigation (if any) and/or the Investment Adviser, you may obtain the details from our website at [www.aham.com.my](http://www.aham.com.my).**

# THE TRUSTEE

## DEUTSCHE TRUSTEES MALAYSIA BERHAD

Deutsche Trustees Malaysia Berhad was incorporated in Malaysia on 22 February 2007 and commenced its business in May 2007. The company is registered as a trust company under the Trust Companies Act 1949, with its business address at Level 20, Menara IMC, 8 Jalan Sultan Ismail, 50250 Kuala Lumpur.

DTMB is a member of Deutsche Bank Group (“Deutsche Bank”). Deutsche Bank provides commercial and investment banking, retail banking, transaction banking and asset and wealth management products and services to corporations, governments, institutional investors, small and medium-sized businesses, and private individuals.

### Experience in Trustee Business

DTMB is part of Deutsche Bank’s Securities Services, which provides trust, custody and related services on a range of securities and financial structures. As at LPD, DTMB is the trustee for two hundred and twenty four (224) collective investment schemes including unit trust funds, wholesale funds, exchange-traded funds and private retirement schemes.

DTMB’s trustee services are supported by Deutsche Bank (Malaysia) Berhad (“DBMB”), a subsidiary of Deutsche Bank, financially and for various functions, including but not limited to financial control and internal audit.

### Roles, Duties and Responsibilities of the Trustee

DTMB’s main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit Holders. In performing these functions, the Trustee has to exercise due care and vigilance and is required to act in accordance with the relevant provisions of the Deed, the CMSA and all relevant laws.

### Trustee’s Delegate

The Trustee has appointed DBMB as the custodian of the assets of the Fund. DBMB is a wholly-owned subsidiary of Deutsche Bank AG. DBMB offers its clients access to a growing domestic custody network that covers over thirty (30) markets globally and a unique combination of local expertise backed by the resources of a global bank. In its capacity as the appointed custodian, DBMB’s roles encompass safekeeping of assets of the Fund; trade settlement management; corporate actions notification and processing; securities holding and cash flow reporting; and income collection and processing.

All investments of the Fund are registered in the name of the Trustee for the Fund, or where the custodial function is delegated, in the name of the custodian to the order of the Trustee for the Fund. As custodian, DBMB shall act only in accordance with instructions from the Trustee.

### Trustee’s Disclosure of Material Litigation

As at LPD, the Trustee (a) has not engaged in any material litigation and arbitration, including those pending or threatened, nor (b) aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee.

### Disclosure on Related-Party Transactions/Conflict of Interests

As the trustee for the Fund and the Manager’s delegate for the fund accounting and valuation services (where applicable), there may be related party transactions involving or in connection with the Fund in the following events:

- (1) where the Fund invests in the products offered by Deutsche Bank AG and any of its group companies (e.g. money market placement, etc.);
- (2) where the Fund has obtained financing from Deutsche Bank AG and any of its group companies, as permitted under the SC’s guidelines and other applicable laws;
- (3) where the Manager appoints DTMB to perform its back office functions (e.g. fund accounting and valuation); and
- (4) where DTMB has delegated its custodian functions for the Fund to DBMB.

DTMB will rely on the Manager to ensure that any related party transactions, dealings, investments and appointments are on terms which are the best that are reasonably available for or to the Fund and are on an arm’s length basis as if between independent parties.

While DTMB has internal policies intended to prevent or manage conflicts of interests, no assurance is given that their application will necessarily prevent or mitigate conflicts of interests. DTMB’s commitment to act in the best interests of the Unit Holders does not preclude the possibility of related party transactions or conflicts.

# THE SHARIAH ADVISER

## ABOUT AMANIE

Amanie is a Shariah advisory, consultancy, training and research and development boutique for institutional and corporate clientele focusing on Islamic financial services. Amanie is a registered Shariah adviser (Corporation) with the SC. It has been established with the aim of addressing the global needs for experts' and Shariah scholars' proactive input. This will ultimately allow the players in the industry to manage and achieve their business and financial goals in accordance with the Shariah principles. Amanie also focuses on organizational aspect of the development of human capital in Islamic finance worldwide through providing updated quality learning embracing both local and global issues on Islamic financial products and services. The company is led by Tan Sri Dr. Mohd Daud Bakar and teamed by an active and established panel of consultants covering every aspect related to the Islamic banking and finance industry both in Malaysia and the global market. Currently the team comprises of eight (8) full-time consultants who represent dynamic and experienced professionals with a mixture of corporate finance, accounting, product development, Shariah law and education. Amanie meets the Manager every quarter to address Shariah advisory matters pertaining to the Fund. Amanie also reviews the Fund's investment on a monthly basis to ensure compliance with Shariah principles or any other relevant principles at all times. As at LPD there are one hundred and thirty nine (139) funds which Amanie acts as Shariah adviser.

### Roles and Responsibilities of Amanie

- (a) To ensure that the Fund is managed and administered in accordance with Shariah principles.
- (b) To provide expertise and guidance in all matters relating to Shariah principles, including the Deed and this Prospectus, the Fund's structure and investment process, and other operational and administrative matters.
- (c) To consult the SC where there is any ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process.
- (d) To act with due care, skill and diligence in carrying out its duties and responsibilities.
- (e) Responsible for scrutinizing the Fund's compliance report as provided by the compliance officer, and investment transaction reports provided by, or duly approved by, the Trustee to ensure that the Fund's investments are in line with Shariah principles.
- (f) To prepare a report to be included in the Fund's semi-annual and annual reports certifying whether the Fund has been managed and administered in accordance with Shariah principles for the period concerned.

### Designated Person Responsible for Shariah Matters of the Fund

#### Tan Sri Dr. Mohd Daud Bakar – Executive Chairman

Tan Sri Dr. Mohd Daud Bakar is the Founder and Executive Chairman of Amanie Group. One of its flagship companies namely Amanie, is operating in a few cities globally. He serves as the Chairman of the SAC of BNM, the SC, the Astana International Financial Centre (AIFC), Kazakhstan, the First Abu Dhabi Bank (UAE), and Permodalan Nasional Berhad (PNB).

Tan Sri Dr Daud is also a Shariah board member of various global financial institutions, including the National Bank of Oman (Oman), Amundi Asset Management (France), Bank of London and Middle East (London), BNP Paribas Najma (Bahrain), Natixis Bank (Dubai), Morgan Stanley (Dubai), Sedco Capital (Saudi and Luxembourg) and Dow Jones Islamic Market Index (New York) amongst many others.

Tan Sri serves as the Chairman of Federal Territory Islamic Religious Department [Majlis Agama Islam Persekutuan (MAIWP)]. In the corporate world, he is currently a member of the PNB Investment Committee. Previously, he served as a Board Director at Sime Darby Property Berhad and Chairman to Malaysia Islamic Economic Development Foundation (YaPEIM). In addition, he is the co-founder of Experts Analytics Centre Sdn Bhd and MyFinB Sdn. Bhd. He also serves as the Chairman of Berry Pay Sdn. Bhd., Data Sukan Consulting Sdn. Bhd., Bio Fluid Sdn. Bhd., KAB Gold Dynamics Sdn. Bhd., BioAngle Vaccs Sdn. Bhd., Tulus Digital Sdn. Bhd., and Amanie-Afra Halal Capital Co (Bangkok). He was the former 8<sup>th</sup> President of the International Islamic University of Malaysia (IIUM).

Recently, Tan Sri Dr Mohd Daud has received the "Royal Award for Islamic Finance 2022" by His Majesty, the King of Malaysia. While in 2014, he received the "Most Outstanding Individual" award by His Majesty, the King of Malaysia, in conjunction with the national-level Prophet Muhammad's birthday. Under his leadership, Amanie received the "Islamic Economy Knowledge Infrastructure Award" at the Global Islamic Economy Summit, Dubai 2015, by His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, October 2015. On 13 November 2021, he was conferred the Darjah Kebesaran Panglima Setia Mahkota (P.S.M.) which carries the title of "Tan Sri".

He received his first degree in Shariah from University of Kuwait in 1988 and obtained his PhD from University of St. Andrews, United Kingdom in 1993. In 2002, he completed his external Bachelor of Jurisprudence at University of Malaya.

Tan Sri's first book entitled "Shariah Minds in Islamic Finance: An Inside Story of A Shariah Scholar" has won the "Islamic Finance Book of the Year 2016" by the Global Islamic Finance Award (GIFA) 2016. Then, his book on sukuk entitled "An Insightful Journey to Emirates Airline Sukuk: Pushing The Boundaries of Islamic Finance" has also won the "Best Islamic Finance Case 2017" by the GIFA 2017 in Kazakhstan. To date, Tan Sri has been authoring more than 40 books with different genre.

**For further information on the Shariah Adviser, you may obtain the details from our website at [www.aham.com.my](http://www.aham.com.my).**

# RELATED PARTIES TRANSACTION AND CONFLICT OF INTEREST

As at LPD, the Manager is not aware of any existing and/or proposed related party transactions or potential conflict of interest situations or other subsisting contracts of arrangements involving the Fund.

## Related Party Transactions

Name of Party Involved in the Transaction	Nature of Transaction	Name of Related Party	Nature of Relationship
AHAM	External Fund Manager	AIIMAN	AHAM holds 100% equity interest in AIIMAN

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

## Policy on Dealing with 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 from the executive director or the managing director of AHAM before dealing in any form of 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 arms' length transaction between independent parties.

# TAX ADVISER'S LETTER

The Board of Directors

6 December 2022

**AHAM Asset Management Berhad**

*(formerly known as Affin Hwang Asset Management Berhad)*

Ground Floor, Menara Boustead

69 Jalan Raja Chulan

50200 Kuala Lumpur

Dear Sirs

**AHAM Aiiman Global Thematic Mixed Asset Fund (f.k.a Affin Hwang Aiiman Global Thematic Mixed Asset Fund)  
Taxation of the Fund and Unit Holders**

1. This letter has been prepared for inclusion in the Replacement Prospectus ("Replacement Prospectus") in connection with the offer for sales of units in the AHAM Aiiman Global Thematic Mixed Asset Fund ("the Fund").

The following is general information based on Malaysian tax law in force at the time of lodging the Replacement Prospectus with the Securities Commission Malaysia ("SC") and investors should be aware that the tax law may be changed at any time. To an extent, 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 an investor consult his accountant or tax adviser on questions about his individual tax position.

## 2. Taxation of the Fund

### 2.1 Income Tax

As the Fund's Trustee is a resident in Malaysia, the Fund is regarded as a 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. Gains on disposal of investments by the Fund will not be subject to income tax.

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 the various tax incentives provided under the law. The Fund is not subject to income tax on such tax exempt dividend 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 issued the gazette orders, 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] on 19 July 2022 which took effect from 1 January 2022. The orders grant exemption on foreign sourced income as follows:

- Dividend income received by companies and limited liability partnerships; 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.

The income of the Fund which is received in Malaysia from outside Malaysia during the period from 1 January 2022 until 30 June 2022 is subject to the tax 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%.

The foreign sourced income of the Fund may be subject to foreign tax in the country from which the income is derived. 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.

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, subject to a minimum of 10% and a maximum of 25% of such expenses pursuant to Section 63B of the MITA.

## **2.2 Gains on Disposal of Investments**

Gains on disposal of investments by the Fund will not be subject to income tax but where the investments represent shares in real property companies, such gains may be subject to Real Property Gains Tax (“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.

## 2.3 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. The Fund would not be required to pay Service Tax on the acquisition of fund management services from the Fund Manager.

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. 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 2022
<b>Malaysian tax residents:</b> <ul style="list-style-type: none"><li>▪ Individual and non-corporate Unit Holders</li><li>▪ Co-operative societies</li><li>▪ Trust bodies</li><li>▪ Corporate Unit Holders<ul style="list-style-type: none"><li>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</li><li>ii. Companies other than those in (i) above</li></ul></li></ul>	<ul style="list-style-type: none"><li>▪ Progressive tax rates ranging from 0% to 30%</li><li>▪ Progressive tax rates ranging from 0% to 24%</li><li>▪ 24%</li><li>▪ 17% for every first RM600,000 of chargeable income</li><li>▪ 24% for chargeable income in excess of RM600,000</li><li>▪ 24%</li><li>▪ 33% for chargeable income in excess of RM100,000,000 for the year of assessment 2022 only</li></ul>

<b>Unit Holders</b>	<b>Malaysian Tax Rates for Year of Assessment 2022</b>
<b>Non-Malaysian tax residents:</b>	
▪ Individual and non-corporate Unit Holders	▪ 30%
▪ Co-operative societies	▪ 24%

The tax credit that is 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 also be subject to tax in their respective jurisdictions and depending on the provisions of the relevant tax legislation and any double tax treaties with Malaysia, the Malaysian tax suffered may be creditable in the foreign tax jurisdictions.

### **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:-

<b>Types of Unit Holders</b>	<b>Malaysian Tax Rates for Year of Assessment 2022</b>
<b>Non-individual residents:</b>	
▪ Withholding tax rate	▪ 24%
▪ Withholding tax mechanism	▪ Income distribution carries a tax credit, which can be utilised to set off against the tax payable by the Unit Holders
▪ Due date of payment	▪ The withholding tax is to be remitted to the Director General of Malaysian Inland Revenue within one month of the distribution of interest income
<b>Non-individual non-residents:</b>	
▪ Withholding tax rate	▪ 24%
▪ Withholding tax mechanism	▪ Withholding tax deducted will be regarded as a final tax
▪ Due date of payment	▪ 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 gains from realisation of investments and other 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**

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.

### **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 after tax 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. This excludes any investment income or gains received by the Unit Holder as such income and gains are not prescribed taxable services.

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 January 2019, the imposition and scope of service tax has been widened to include any imported taxable service.

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

**Tax Exempt Income of Unit Trusts**

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.
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.
3. Interest in respect of any savings certificates issued by the Government.
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.
5. Interest received in respect of bonds and securities issued by Pengurusan Danaharta Nasional Berhad within and outside Malaysia.
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).
7. Income derived from the Sukuk Issue which has been issued by the Malaysia Global Sukuk Inc.
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.
9. Income derived from the Sukuk Ijarah, other than convertible loan stock, issued in any currency by 1Malaysia Sukuk Global Berhad.
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.
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.
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.

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.
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).
15. Income received by the Fund from Malaysia Building Society Berhad (“MBSB”).

# RELEVANT INFORMATION

## INFORMATION AVENUES

### How can I keep track of my investments?

You may obtain the daily Fund price from our website at [www.aham.com.my](http://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.

We will provide you with an annual report and a semi-annual report within two (2) months after the end of the financial period the report covers. In addition, we will also send you a monthly statement confirming the current Unit holdings and transactions relating to your Units in the Fund.

**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. and 5.30 p.m. on a Business Day. Alternatively, you can email us at [customercare@aham.com.my](mailto:customercare@aham.com.my).

## COMPLAINTS AVENUES

### How do I make a complaint?

You may e-mail us at [customercare@aham.com.my](mailto:customercare@aham.com.my) with the following information:

- (a) particulars of the complainant which include name, correspondence address, contact number, e-mail address (if any) and other relevant information;
- (b) circumstances of the non-compliance or improper conduct;
- (c) parties alleged to be involved in the improper conduct; and
- (d) any other supporting documentary evidence (if any).

## 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 and Terrorism Financing 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 Trustee, External Fund Manager, Investment Adviser and Shariah Adviser have given their consent to the inclusion of their names in the form and context in which such names appear in this Prospectus and have not subsequently withdrawn such consent before the issuance of this Prospectus; and
- The tax adviser has given its consent to the inclusion of its name and the tax adviser's letter in the form and context in which such name and tax adviser's letter appear in this Prospectus and has not subsequently withdrawn such consent before the issuance of this Prospectus.



## DOCUMENTS AVAILABLE FOR INSPECTION

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

- The Deed and the supplemental deed (if any) of the Fund;
- This Prospectus and supplemental or replacement prospectus (if any) of the Fund;
- 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

(FORMERLY KNOWN AS AFFIN HWANG ASSET MANAGEMENT BERHAD)

### HEAD OFFICE

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Toll Free No : 1-800-88-7080  
Email: [customercare@aham.com.my](mailto:customercare@aham.com.my)  
Website: [www.aham.com.my](http://www.aham.com.my)

### PENANG

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### PERAK

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### JOHOR

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93200 Kuching, Sarawak  
Tel : 082 – 233 320  
Fax : 082 – 233 663

1<sup>st</sup> Floor, Lot 1291  
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