Maybank

Asset Management

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

(constituted on 21 June 2013 and launched on 8 January 2014)

Manager : Maybank Asset Management Sdn Bhd (Registration No.: 199701006283 (421779-M))

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

This Prospectus is in relation to the following Fund dated 1 March 2023.

THIS IS A REPLACEMENT PROSPECTUS WHICH SUPERCEDES THE PROSPECTUS DATED 8 JANUARY 2017 AS AMENDED BY THE FIRST SUPPLEMENTARY PROSPECTUS DATED 2 MARCH 2017, THE SECOND SUPPLEMENTARY PROSPECTUS DATED 21 AUGUST 2017, THE THIRD SUPPLEMENTARY PROSPECTUS DATED 26 JUNE 2018, THE FOURTH SUPPLEMENTARY PROSPECTUS DATED 30 APRIL 2019 AND THE FIFTH SUPPLEMENTARY PROSPECTUS DATED 22 FEBRUARY 2021.

THE FUND IS NOT A CAPITAL GUARANTEED FUND OR A CAPITAL PROTECTED FUND.

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

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 7.

Responsibility Statements

This Prospectus has been reviewed and approved by the directors of Maybank Asset Management Sdn Bhd 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 ("SC") has authorised the Maybank AsiaPac ex-Japan Equity-I Fund and a copy of this Prospectus has been registered with the SC.

The authorisation of the Maybank AsiaPac ex-Japan Equity-I Fund, and registration of this Prospectus, should not be taken to indicate that the SC recommends the Maybank AsiaPac ex-Japan Equity-I Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Prospectus.

The SC is not liable for any non-disclosure on the part of the Manager responsible for the Maybank AsiaPac ex-Japan Equity-I Fund and takes no responsibility for the contents in this Prospectus. The SC 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.

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.

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 the Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to the Prospectus or the conduct of any other person in relation to the Maybank AsiaPac ex-Japan Equity-I Fund.

The Maybank AsiaPac ex-Japan Equity-I Fund has been certified as Shariah-compliant by the Shariah adviser appointed for the Fund.

The Maybank AsiaPac ex-Japan Equity-I Fund will not be offered for sale in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or to any U.S. Person(s). Accordingly, investors may be required to certify that they are not U.S. Person(s) before making an investment in the Maybank AsiaPac ex-Japan Equity-I Fund.

The Maybank AsiaPac ex-Japan Equity-I Fund is not a capital protected or capital guaranteed fund.

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(1) DEFINITIONS

In this Prospectus, the following abbreviations or words shall have the following meanings unless otherwise stated:

Bursa Malaysia	means the stock exchange managed or operated by Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W)).
Business Day	means a day on which Bursa Malaysia is open for trading. *Note: The Manager will accept any purchase request of Units or redemption of Units of the Fund on any Business Day.*
CIS	means collective investment schemes.
CMSA	means the Capital Markets and Services Act 2007 including all amendments thereto and all rules, regulations and guidelines issued thereunder.
Deed	means the deed in respect of the Fund and any other supplemental deed that may be entered into between the Manager and the Trustee and registered with the SC.
Eligible Market	means an exchange, government securities market or an OTC market: (a) that is regulated by a regulatory authority of that jurisdiction; (b) that is open to the public or to a substantial number of market participants; and (c) on which financial instruments are regularly traded.
Ex-distribution Date	means the next Business Day after the date on which income distribution of the Fund is declared.
External Investment Manager	refers to Maybank Islamic Asset Management Sdn Bhd (Registration No.: 201301012623 (1042461-K)).
FIMM	means the Federation of Investment Managers Malaysia.
Forward Pricing	means the Net Asset Value per Unit for the Fund calculated at the next valuation point after a purchase request or a redemption request, as the case may be, is received by the Manager.
Fund/MAEF	means the Maybank AsiaPac ex-Japan Equity-I Fund.
Guidelines	means the Guidelines on Unit Trust Funds issued by the SC and any other relevant guidelines issued by the SC.
Islamic deposit(s)	has the same meaning as ascribed to it in the Islamic Financial Services Act 2013.
Investment Adviser / MAMS	means Maybank Asset Management Singapore Pte. Ltd.
LPD	means latest practicable date as at 31 December 2022.
Long Term	means a period of more than 5 years.
Manager/ Maybank AM	means Maybank Asset Management Sdn Bhd (Registration No.: 199701006283 (421779-M)).

Maybank	means Malayan Banking Berhad (Registration No.: 196001000142 (3813-K)).
Medium to Long-Term	means a period of 3 years and above.
MSCI	means Morgan Stanley Capital International.
Net Asset Value or NAV	means the total value of the Fund's assets minus its liabilities at the valuation point.
NAV per Unit	means the NAV of the Fund divided by the total number of Units in circulation at the valuation point.
OTC	means over-the-counter.
Prospectus	means the prospectus of this Fund.
Redemption Price	means the price payable by the Manager to a Unit Holder pursuant to a redemption request by the Unit Holder and will be the NAV per Unit of the Fund. The Redemption Price shall be exclusive of the redemption charge (if any).
RM	means Ringgit Malaysia.
SACBNM	means the Shariah Advisory Council of Bank Negara Malaysia.
SACSC	means the Shariah Advisory Council of the Securities Commission.
SC/ Securities Commission	means the Securities Commission Malaysia.
Selling Price	means the price payable by an investor or a Unit Holder for the purchase of a Unit of the Fund and will be the NAV per Unit of the Fund. The Selling Price shall be exclusive of the sales charge.
Shariah	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 *ijtihad* of *ulama'* (personal effort by qualified Shariah scholars to determine the true ruling of the divine law on matters whose revelations are not explicit).
Shariah Adviser	means Amanie Advisors Sdn Bhd (Registration No.: 200501007003 (684050-H)).
Trustee	means TMF Trustees Malaysia Berhad (Registration No.: 200301008392 (610812-W)).
Unit or Units	means an undivided share in the beneficial interest or right in the Fund and a measurement of the right or interest of a Unit Holder in the Fund and means a unit of the Fund.
Unit Holders	means the person for the time being who is registered pursuant to the Deed as a holder of Units including a jointholder.
U.S. (United States) Person(s)	means: (a) a U.S. citizen (including those who hold dual citizenship or a greencard holder);

(b) a U.S. resident alien for tax purposes;
(c) a U.S. partnership;
(d) a U.S. corporation;
(e) any estate other than a non-U.S. estate;
(f) any trust if:
    (i) a court within the U.S. is able to exercise primary supervision over the administration of the trust; and
    (ii) one or more U.S. Persons have the authority to control all substantial decisions of the trust;
(g) any other person that is not a non-U.S. Person; or
(h) any definition as may be prescribed under the Foreign Account Tax Compliance Act 2010, as may be amended from time to time.

(2) CORPORATE DIRECTORY

MANAGER	Maybank Asset Management Sdn Bhd (Registration No.: 199701006283 (421779-M))
REGISTERED OFFICE	5th Floor, Tower A Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No: 03 – 2297 7870
BUSINESS OFFICE	Level 12, Tower C Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No: 03 - 2297 7888 Fax No: 03 – 2715 0071 Email: mamcs@maybank.com.my Website: http://www.maybank-am.com
TRUSTEE	TMF Trustees Malaysia Berhad (Registration No.: 200301008392 (610812-W))
REGISTERED OFFICE AND BUSINESS OFFICE	10th Floor, Menara Hap Seng No. 1 & 3, Jalan P. Ramlee 50250 Kuala Lumpur Tel No: 03 - 2382 4288 Fax No: 03 - 2026 1451 Email: malaysia@tmf-group.com Website: www.tmf-group.com
INVESTMENT ADVISER	Maybank Asset Management Singapore Pte Ltd (Company No.: 200812589K)
REGISTERED OFFICE	50 North Canal Road #03-01 Singapore 059304
BUSINESS OFFICE	2 Battery Road #08-01 Maybank Tower Singapore 049907
EXTERNAL INVESTMENT MANAGER	Maybank Islamic Asset Management Sdn Bhd (Registration No.: 201301012623 (1042461-K))
REGISTERED OFFICE	5th Floor, Tower A Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No: 03 - 2297 7870
BUSINESS OFFICE	Level 12, Tower C Dataran Maybank

	No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No: 03 - 2297 7888 Fax No: 03 – 2297 7898
SHARIAH ADVISER	Amanie Advisors Sdn Bhd (Registration No.: 200501007003 (684050-H))
REGISTERED OFFICE	Unit 11-3A, 3rd Mile Square, No. 151, Jalan Klang Lama Batu 3 ½, 58100 Kuala Lumpur
BUSINESS OFFICE	Level 13A-2 Menara Tokio Marine Life 189, Jalan Tun Razak 50400 Kuala Lumpur Tel No: 03 - 2161 0260 Fax No: 03 - 2161 0262 Email: info@amanieadvisors.com Website: http://amanieadvisors.com

(3) INFORMATION ON THE FUND

3.1 Name of the Fund

Maybank AsiaPac ex-Japan Equity-I Fund

3.2 Base Currency

RM

3.3 Category

Equity (Shariah-compliant)

3.4 Investment Objective of MAEF

The Fund aims to achieve capital growth over the Long Term by investing in Shariah-compliant equities.

Any material changes to the investment objective of the Fund would require the Unit Holders' approval.

3.5 Investment Strategy

To achieve the Fund's objective, the Fund will invest between 70% to 98% of the Fund's NAV in Shariah-compliant equities issued by companies whose businesses are in Asia Pacific ex-Japan markets. The External Investment Manager will also invest between 2% to 30% of the Fund's NAV in Islamic liquid assets including Islamic money market instruments and placement in Islamic deposits.

The Fund's investments in Asia Pacific ex-Japan enterprises are those of companies whose securities are listed in Asia Pacific ex-Japan markets and other markets such as the United States of America and United Kingdom markets. These are companies that have at least 50% of its business operations located in Asia Pacific ex-Japan and/or have at least 50% of its revenues derived from Asia Pacific ex-Japan.

The External Investment Manager will adopt a top-down investment approach in constructing the Fund's portfolio. In adopting the top-down investment approach, the External Investment Manager takes into consideration the equity market outlook over the Medium to Long-Term horizon. Besides that, the External Investment Manager would also adopt a bottom-up investment process where individual stock analysis would be conducted for stock selection in constructing the Fund's portfolio. Analysis conducted on a particular stock would be based on fundamental analysis comprising quantitative and qualitative analysis. Qualitative approach takes into consideration of, amongst others, the company's corporate governance, competency of its management, business cycles as well as competitive advantages. Quantitative approach would cover, amongst others, the company's profitability, its market capitalization, valuation, gearing and liquidity.

The Fund's investments in foreign markets are limited to Eligible Markets. The foreign markets which the Fund will invest in includes, but are not limited to, China, Hong Kong, Taiwan, Korea, Malaysia, Singapore, Thailand, Indonesia, India, the Philippines, United States of America and United Kingdom.

When investing in foreign markets which require prior permission / approval such as in the form of an investment licence / investor code / investor registration, the Fund shall obtain such necessary permission / approval in order to invest in such markets.

The Fund would be actively managed, however, how active or the frequency of its trading strategy will very much depend on market opportunities.

Temporary Defensive Positions

The Manager may take temporary defensive positions that may be inconsistent with the Fund's investment strategy in attempting to respond to adverse market, political or economic conditions. Under such situations, the Fund may hold up to all of the Fund's NAV in Islamic liquid assets such as Islamic money market instruments or placement in Islamic deposits. The defensive positions may be adopted for a time period as the Manager considers appropriate in consultation with the Trustee.

3.6 Risk Factors

All investments carry some degree of risk. In relation to this, returns are not guaranteed to Unit Holders. If an investor expects a high return on investment, usually, the risk that the investor would have to bear would also be high, and vice versa. The choice of investing in the Fund is made at the discretion of the investors. There is a chance whereby the Fund chosen by the investor may not suit the investor's needs and circumstances. Investors should rely on their own evaluation to assess the merits and risks when investing in the Fund.

The role of the External Investment Manager and/or the Manager in the Fund is to invest in a portfolio of assets which is adequately suited to potentially achieve the objective of the Fund, while at the same time working towards mitigating the risk of the portfolio of assets as much as possible, through careful asset allocation and security selection, as well as through diversification, i.e. spreading risk across a basket of multiple assets or securities which have low or negative correlations with one another.

Before making an investment in the Fund, an investor should consider the various risks that may affect the Fund and the investor.

General Risks of Investing in the Fund

Market Risk

The value of investment may increase or decrease due to changes in market factors such as uncertainties in the economy, political and social environment that impact large portions of the market. This is a risk associated with all securities and cannot be eliminated. Hence, the Manager will monitor the financial markets closely and act on any adverse news accordingly.

Inflation Risk

Inflation creates uncertainties over the future value of investments. There is a risk that the Fund may generate a return on investment lower than the inflation rate. This would reduce investors' purchasing power per RM even though the nominal value of the investment in monetary terms has increased.

Liquidity Risk

Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the Fund holds assets that are illiquid, or are difficult to dispose of, the value of the Fund will be negatively affected when it has to sell such assets at unfavourable prices.

Liquidity risk of the Fund is also our ability as manager to honour redemption requests or to pay Unit Holders' redemption proceeds in a timely manner. We will actively manage the

liquidity of the Fund and/or where available, take cash financing on a temporary basis as permitted by the relevant laws to manage the Unit Holders' redemption requests.

Management Risk

The performance of the Fund is very much dependent on the experience, expertise and investment techniques of the fund manager while the quality of management is also dependent on internal circumstances such as operational matters within the Manager. Poor management of the Fund would adversely affect the Fund's performance and jeopardise investment of Unit Holders. In order to reduce this risk, the implementation of internal controls and a structured investment process and operational procedures has been put in place by the Manager.

Non-Compliance Risk

This risk refers to the possibility that the Manager may not follow the provisions set out in this Prospectus or the Deed or the laws, rules, guidelines or internal operating policies which governs the Fund. Non-compliance may occur directly due to factors such as human error or system failure and can also occur indirectly due to amendment on the relevant regulatory frameworks, laws, rules, and other legal practices affecting the Fund. This risk may result in operational disruptions and potential losses to the Fund. The Manager aims to reduce this risk by placing stringent internal policies and procedures and compliance monitoring processes to ensure that the Fund is in compliance with the relevant regulations or guidelines.

Financing Risk

This risk occurs when investors take a financing to finance their investment. The inherent risk of investing with financed money includes investors being unable to service the financing. In the event Units are used as collateral, an investor may be required to top-up the investors' 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.

Returns Are Not Guaranteed

Investor should be aware that there is no guarantee of any returns i.e. income distribution or capital appreciation by investing in the Fund. Unlike fixed deposits placed directly by the investors into any financial institutions which carry a specific rate of return, the Fund does not provide a fixed rate of return.

Suspension of Redemption Risk

The Fund may, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the redemption of Units under exceptional circumstances, where the fair value of a material portion of the Fund's assets cannot be reasonably determined. Upon suspension, the Fund will not be able to pay Unit Holders' redemption proceeds in a timely manner and Unit Holders will be compelled to remain invested in the Fund for a longer period of time than the stipulated redemption timeline. Hence, Unit Holder's investments will continue to be subjected to the risk factors inherent to the Fund. Please refer to Section 6.4 of this Prospectus for more information on suspension of dealing in Units.

Specific Risks of the Fund

Company specific risk

Specific risks to Shariah-compliant securities issued by a company apply as there are adverse conditions or negative sentiments which a company can be uniquely exposed to, be it from

the view of management issues, deteriorating business fundamentals or losing competitiveness. As a consequence, the price of Shariah-compliant securities issued by such company might fall and subsequently affect the Fund's performance. The impact of a specific company may be reduced as the Fund invests in a wide portfolio of investments consisting of Shariah-compliant securities issued by different companies thereby spreading the element of this risk through diversification.

Credit and Default risk

Credit risk relates to the creditworthiness of the issuers of the Islamic money market instruments, and their expected ability to make timely payment of profit and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the Islamic money market instruments. In the case of rated Islamic money market instruments, this may lead to a credit downgrade. Default risk relates to the risk that an issuer of an Islamic money market instrument either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the Islamic money market instruments. This could adversely affect the value of the Fund.

Islamic deposits that the Fund has placed with financial institutions are also exposed to default risk. If the financial institutions become insolvent, the Fund may suffer capital losses with regards to the capital invested and profit foregone, causing the performance of the Fund to be adversely affected. Placements of Islamic deposits with financial institution will also be made based on prudent selection.

Profit rate risk

Profit rate risk refers to the impact of profit rate changes on the valuation of Islamic money market instruments and Islamic deposits. When profit rates rise, Islamic money market instruments' prices generally decline and this may lower the market value of the Fund's investment in Islamic money market instruments. The reverse may apply when profit rates fall.

Profit rate fluctuations also affect the Islamic deposits' returns of the Fund. Profit rates offered by the financial institutions will fluctuate according to the overnight rate policy determined by Bank Negara Malaysia and this has direct correlation with the Fund's investment in Islamic deposits. The Fund's future reinvestment in Islamic deposits will benefit from the higher profit rate and in the event of falling profit rates, the Fund's future investment in Islamic deposits will be reinvested at lower profit rates which in turn will reduce the Fund's potential returns.

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, if the Fund invests a significant portion of its assets in issuers located in a single country, a limited number of countries, or a particular geographic region, it assumes the risk that economic, political and social conditions in those countries or that region may have a significant impact on the Fund's investment performance. This in turn may cause the NAV of the Fund or prices of Units to fall.

Risk of investing in emerging markets

The Fund may invest in emerging markets which exhibit lower levels of capital market development. Generally, the returns in emerging markets are more volatile than those in developed markets resulting in higher investment risk that may affect the Fund's growth. Since emerging markets are undergoing constant changes, it is almost impossible to utilize

historical information to analyse the relationship between events and returns. Also, in many emerging markets, accounting standards are not as comprehensive resulting in additional uncertainty as to the quality of information contained in a company's financial statements. Naturally, this makes it even more difficult than usual to forecast a company's rate of growth. In addition to comprehensive research analysis, the Manager attempts to mitigate the risks of investing in emerging markets through diversification across various countries.

Currency risk

This risk is associated with investments that are quoted and/or priced in foreign currency denomination. The investment values are all subject to currency translation risk between RM and foreign currencies. Investors should be aware that when foreign currencies move unfavorably against the RM, investments denominated in foreign currencies may suffer currency losses in addition to capital gains/losses, this will have an adverse effect on the NAV of the Fund and vice versa. In order to mitigate this risk, the Manager may diversify the investment across different currencies.

Reclassification of Shariah status risk

This risk refers to the risk that the currently held Shariah-compliant equities in the Fund may be reclassified as Shariah non-compliant in the periodic review of the equities by the SACSC, the Shariah Adviser or the Shariah boards of the relevant Islamic indices. If this occurs, we will take the necessary steps to dispose such equities. 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 equities. The value of the Fund also may be adversely affected in the event of a disposal of Shariah non-compliant equities at a price lower than the investment cost. Please refer to "Shariah Investment Guidelines" below for details on the treatment of gains and losses as a result of the reclassification of Shariah non-compliant securities.

Please note that the Shariah Adviser has been appointed for the Fund, who would be responsible to advise the Manager to ensure that the Fund is managed and administered in accordance with Shariah principles.

Investors are reminded that the risks listed above may not be exhaustive and if necessary, they should consult their adviser(s), e.g. bankers, lawyers, Shariah advisers, stockbrokers or independent professional advisers for a better understanding of the risks.

3.7 Performance Benchmark

The performance of the Fund is benchmarked against the MSCI AC Asia Pacific Islamic ex-Japan Index *(Source: Bloomberg)*.

Note: The risk profile of the Fund is different from the risk profile of the performance benchmark.

3.8 Asset Allocation

Asset Type	% of the Fund's NAV
Shariah-compliant equities	Between 70% - 98%
Islamic liquid assets including Islamic money market instruments and placement in Islamic deposits	Between 2% - 30%

3.9 Investor Profile

This Fund is suitable for investors who:

- wish to gain exposure to the Asia Pacific ex-Japan markets and other markets such as the United States of America and United Kingdom markets;
- seek capital growth through an Islamic fund; and
- have a Long Term investment horizon.

3.10 Risk Management Strategies

Risk management is an integral part of the Manager's investment management process. The Manager and the External Investment Manager employ measures such as asset allocation strategy in order to manage the specific risks of the Fund. When downturn is expected in equity markets, and liquidity risks are high, the External Investment Manager may reduce the Fund's allocation in Shariah-compliant equities and increase its asset allocation to Islamic liquid assets to safeguard the investment portfolio of the Fund. The Fund's exposure will also be spread across various countries, sectors, counterparties and companies as diversification strategy is also recognized by the Manager and the External Investment Manager as an essential risk management strategy for the Fund.

In order to ensure that the Fund is managed within the Guidelines and the Deed, proper procedures and parameters are in place to manage the risks that are applicable to the Fund. Regular monitoring, reviews and reporting are also undertaken by the Manager, the External Investment Manager and the Investment Adviser, as the case may be, to ensure that the Fund's investment objective is met.

Liquidity Risk Management

In managing the Fund's liquidity, the Manager, the External Investment Manager and the Investment Adviser, as the case may be, will:

(a) actively manage the liquidity of the Fund to meet redemption requests from Unit Holders; and/or

(b) where available, obtain cash financing on a temporary basis for the purpose of meeting redemption requests for Units and for short term bridging requirements subject to the conditions set out in the section below under the heading "Financing and Borrowing".

However, if we have exhausted the above avenue, we will then, in consultation with the Trustee and having considered the interests of the Unit Holders, resort to suspend the redemption of Units to manage the liquidity of the Fund under exceptional circumstances, where the fair value of a material portion of the Fund's assets cannot be reasonably determined. Any redemption request received by us during the suspension period will only be accepted and processed on the next Business Day after the cessation of suspension of the Fund. Please refer to Section 6.4 of this Prospectus for more information on suspension of dealing in Units.

3.11 Permitted Investments

The Fund is permitted to invest in the following:

(a) Shariah-compliant equities of companies in Asia Pacific ex-Japan countries;

(b) Placements of Islamic deposits;

(c) Islamic money market instruments;

(d) Islamic CIS; and

(e) any other Shariah-compliant investment permitted by the Securities Commission which is in line with the objective of the Fund.

3.12 Investment Restrictions and Limits

The Fund will be managed in accordance with the following investment limits and restrictions:

Exposure Limit

(a) The aggregate value of the Fund's investments in Shariah-compliant transferable securities that are not traded or dealt in or 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.

Investment Spread Limits

(b) 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.

(c) 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 paragraph (a) under "Exposure Limit" issued by the same issuer must be included in the calculation.

(d) The single issuer limit in paragraph (c) under "Investment Spread Limits" 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.

(e) The value of the Fund's placement in Islamic deposits with any single institution must not exceed 20% of the Fund's NAV. 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 investment 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 the Unit Holders; or
   (iii) moneys 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 the Unit Holders.

(f) The aggregate value of the Fund's investments in, or exposure to, a single issuer through Shariah-compliant transferable securities, Islamic money market instruments and Islamic deposits 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 paragraph (a) under "Exposure Limit" issued by the same issuer must be included in the calculation.

(g) Where the single issuer limit is increased to 35% of the Fund's NAV pursuant to paragraph (d) under "Investment Spread Limits", the single issuer aggregate limit in paragraph (f) under "Investment Spread Limits" may be raised, subject to the group limit in paragraph (j) under "Investment Spread Limits" not exceeding 35% of the Fund's NAV.

(h) The value of the Fund's investments in units or shares of an Islamic CIS that complies

with the Guidelines must not exceed 20% of the Fund's NAV.

(i) The value of the Fund's investments in units or shares of an Islamic CIS that invests in real estate pursuant to paragraph 6.11(c) of the Guidelines must not exceed 15% of the Fund's NAV.

(j) 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 paragraph (a) under "Exposure Limit" issued by the issuers within the same group of companies must be included in the calculation.

Investment Concentration Limits

(k) The Fund's investments in Shariah-compliant shares or Shariah-compliant securities equivalent to shares must not exceed 10% of the Shariah-compliant shares or Shariah-compliant securities equivalent to shares, as the case may be, issued by a single issuer.

(l) The Fund's investments in Islamic money market instruments must not exceed 10% of the 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.

(m) The Fund's investments in Islamic CIS must not exceed 25% of the units or shares in the Islamic CIS.

This limits and restrictions on the investments of the Fund do not apply to securities or instruments issued or guaranteed by the Malaysian government or Bank Negara Malaysia.

The above stated limits and restrictions shall be complied with at all times based on the most up-to-date value of the Fund's investments and instruments. We will notify the SC, within seven (7) Business Days, of any breach of investment limits and restrictions with the steps taken to rectify and prevent such breach from recurring. However, where the limit or restriction is breached as a result of an appreciation or depreciation in the value of the Fund's assets, redemption of Units or payment made from the Fund, change in capital of a corporation in which the Fund has invested in or downgrade in or cessation of a credit rating, we will, within a reasonable period of not more than three (3) months from the date of the breach take all necessary steps and actions to rectify the breach.

3.13 Bases of Valuation of Investments

Listed Shariah-compliant Securities (including listed Islamic CIS)

Listed Shariah-compliant local and foreign securities ("securities") will be valued daily based on the last done market price.

However, if:-

(a) a valuation based on the market price does not represent the fair value of the securities, for example during abnormal market conditions; or
(b) no market price is available, including in the event of a suspension in the quotation of securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee,

then the securities would be valued at fair value, as determined in good faith by the Manager based on the methods or bases approved by the Trustee after appropriate technical consultation.

Unlisted Shariah-compliant Securities

Investment in unlisted Shariah-compliant securities ("securities") will be valued at the cost price of each investment until the securities of the investee companies are successfully listed on a recognised stock exchange, upon which quoted prices will be available and valuation will be based on the last done market price or such other basis as may be prescribed by the relevant laws from time to time including approved accounting standards.

Placement in Islamic Deposits

Placement in Islamic deposits with financial institutions are valued each day by reference to the value of such investments and the profit accrued thereon for the relevant period.

Islamic money market instruments

Investments in Islamic commercial papers and Islamic treasury bills are valued each day based on the price quoted by bond pricing agency ("BPA") registered with the SC. Where we are of the view that the price quoted by BPA differs from the market price by more than 20 basis points, we may use the market price provided that we:

(a) record our basis for using a non-BPA price;
(b) obtain the necessary internal approvals to use the non-BPA price; and
(c) keep an audit trail of all decisions and basis for adopting the market yield.

For investments in Islamic money market instruments with remaining term to maturity of not more than 90 days at the time of acquisition, such instruments are valued each day based on amortised cost. The risk of using amortised cost accounting is the mispricing of the Islamic money market instruments. We will monitor the valuation of such Islamic money market instruments using amortised cost method against the market value on a daily basis and will use the market value if the difference in valuation exceeds 3%.

Unlisted Islamic CIS

Investments in unlisted Islamic CIS will be valued based on its last published repurchase price.

Any other Shariah-compliant investments

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

3.14 Securities Lending and Repurchase Transactions

The Fund will not participate in securities lending and repurchase transactions.

3.15 Financing and Borrowing

The Fund is prohibited from borrowing other assets (including borrowing of securities within the meaning of the Securities Borrowing and Lending Guidelines issued by the SC) in connection with its activities. However, the Fund may obtain cash financing on a temporary basis for the purpose of meeting redemption requests for Units and for short term bridging requirements subject to the following:

(a) the Fund's cash financing is only on a temporary basis and that financings are not persistent;

(b) the financing period shall not exceed 1 month;

(c) the aggregate financings of the Fund shall not exceed 10% of the Fund's NAV at the time the financing is incurred; and

(d) the Fund only obtains financing from Islamic financial institutions.

3.16 Cross Trade Policy

The Fund will not participate in any cross trade transaction.

3.17 Shariah Investment Guidelines

The following are the Shariah Investment Guidelines for the Fund, which the External Investment Manager, is to strictly adhere to on a continuous basis. At all times, the Fund shall invest in investment instruments that are allowed under the Shariah principles and shall not invest in investment instruments that are prohibited by the Shariah principles based on the parameters of the applicable Shariah Advisory Council, relevant Shariah advisory board and the Shariah Adviser.

A. Investments

1. Investment in Malaysia

Equity:
The Fund will invest in listed equities based on a list of Shariah-compliant equities issued by the SACSC.

For companies that have yet to be determined the Shariah status by the SACSC, the Shariah Adviser adopts the following analysis as a temporary measure in determining its Shariah status until the SACSC 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 the contribution of Shariah non-compliant businesses/activities to the overall revenue/sales/turnover/income and profit before tax of the companies are less than the following 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 SACSC.

❖ 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 SACSC.

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 as stated above, i.e. must be less than 5 per cent and less than 20 per cent, respectively.

(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.

Both 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.

2. Investment in Foreign Markets

The Fund shall invest in securities listed under the list of Shariah-compliant securities issued by:

- the local Shariah governing bodies of the respective countries such as Majelis Ulama Indonesia in Indonesia; and/or
- any Shariah indices recognized internationally including but not limited to the MSCI Islamic Index Series.

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 the Shariah indices recognized internationally shall be determined in accordance with the ruling issued by the Shariah Adviser as follows:

(1) Business Activity Screening

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

- Alcohol: distillers, vintners and producers of alcoholic beverages, including producers of beer and malt liquors, owners and operators of bars and pubs.
- Tobacco: cigarettes and other tobacco products manufacturers and retailers.
- Cannabis: manufacture and retail of Cannabis or Cannabis related products.
- Pork related products: companies involved in the manufacture and retail of pork products.
- Conventional Financial Services: commercial banks involved in retail banking, corporate lending, investment banking; companies involved in mortgage and mortgage related services; providers of financial services, including insurance, capital markets and specialized finance; credit agencies; stock exchanges; specialty boutiques; consumer finance services, including personal credit, credit cards, lease financing, travel-related money services and pawn shops; financial institutions primarily engaged in investment management, related custody and securities fee-based services; companies operating mutual funds, closed-end funds and unit investment trusts; financial institutions primarily engaged in investment banking and brokerage services, including equity and debt underwriting, mergers and acquisitions; securities lending and advisory services institutions; and insurance and reinsurance brokerage firms, including companies providing property, casualty, life disability, indemnity or supplemental health insurance.
- Defense / Weapons: manufacturers of military aerospace and defense equipment, parts or products, including defense electronics and space equipment.
- Gambling / Casino: owners and operators of casinos and gaming facilities, including companies providing lottery and betting services.
- Music: producers and distributors of music, owners and operators of radio broadcasting systems.
- Hotels: owners and operators of hotels.
- Cinema: companies engaged in the production, distribution and screening of movies and television shows, owners and operators of television broadcasting systems and providers of cable or satellite television services.
- Adult Entertainment: owners and operators of adult entertainment products and activities.
- Online dating: companies that offer online dating services through the ownership and operation of websites or mobile applications that facilitate profile-based matchmaking, with the goal of developing romantic or sexual relationships.

(2) Financial Screening

The Shariah investment guidelines do not allow investment in companies deriving significant income from interest or companies that have excessive leverage. The following three financial ratios are to be met in order to qualify as Shariah-compliant:

- Total debt (excluding Shariah-compliant debt and Shariah-compliant instruments) over total assets must be less than 33.33%;
- Sum of a company's cash and interest-bearing securities (excluding Shariah-compliant debt and Shariah-compliant instruments) over total assets must be less than 33.33%; and
- Sum of a company's accounts receivables and cash over total assets must be less than 33.33%.

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

3. Islamic CIS

The Fund may invest in domestic and foreign Islamic CIS. The domestic Islamic CIS must be approved by the SC. For the foreign Islamic CIS, it must be approved by the Shariah Adviser upon review of the necessary and relevant documentation.

4. Islamic money market instruments

For investment in money market, the Fund may acquire any Islamic money market instruments based on the data available at:

- Bond Info Hub (www.bondinfo.bnm.gov.my)
- Fully Automated System for issuing/tendering) (https://fast.bnm.gov.my)

The Fund may also invest into any other Islamic money market instruments deemed Shariah-compliant by the SACBNM or the Shariah Adviser.

5. Investment in Islamic Deposits

The Fund is prohibited from investing in interest-bearing deposits and recognizing any interest income.

6. 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 request a change to the Shariah Investment Guidelines, it shall give the Manager a reasonable period of time to effect such change in the Prospectus in accordance with the requirements of any applicable law and regulation.

B. Cleansing Process for the Fund

Dividend Purification

The cleansing process is the means by which all remaining elements of non-permissible income are removed or purged from a portfolio through dividend cleansing. The process applies mainly to non-permissible income as per MSCI screening methodology and should be disposed according to the same methodology of MSCI. The cleansed income shall be channelled to *Baitulmal* and/or any other charitable bodies as advised by the Shariah Adviser.

Shariah non-compliant investment

The Manager will immediately dispose of any Shariah non-compliant investment inadvertently made in the Fund. If the disposal of the Shariah non-compliant investment results in losses to the Fund, the losses are to be borne by the Manager by ensuring the loss portion is restored and returned to the Fund. The said investment will be disposed/withdrawn with immediate effect or within a period of not more than one month after becoming aware of the status of the investment. In the event that there are any capital gains or dividend or profit received before or after the disposal of the investment, such gains will be channeled to *Baitulmal* and/or any other charitable bodies as advised by the Shariah Adviser. The Fund have the right to retain only the investment cost.

Reclassification of Shariah status of the Fund's investment

If securities are reclassified as Shariah non-compliant by the SACSC and/or the Shariah board of the MSCI Islamic Index Series and/or any other relevant sources, as per the Shariah

Adviser's advice, the said securities shall be disposed of soonest practical, once the total amount of dividends received and the market value held exceed or equal the investment costs.

Any dividends received up to the date of the announcement/review and capital gains arising from the disposal of the Shariah non-compliant securities made at the time of the announcement/review can be kept by the Fund. However, any dividends received and excess capital gains derived from the disposal of Shariah non-compliant securities after the announcement/review day is to be channeled to *Baitulmal* and/or any charitable bodies as advised by the Shariah Adviser.

On the other hand, the Fund is allowed to hold the investment in the Shariah non-compliant securities if the market price of the said securities is below the investment cost. 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, the Fund is advised to dispose of their holding.

C. Payment of Zakat

This refers to the purification by way of payment of zakat by Muslims. The Fund do not pay zakat on behalf of Muslim Unit Holders. Thus, Muslim Unit Holders are advised to pay zakat on their own.

The investment portfolio of the Fund will comprise instruments that have been classified as Shariah compliant by the SACSC and, where applicable the SACBNM. For instruments that are not classified as Shariah-compliant by the SACSC and, where applicable the SACBNM, the status of the instruments has been determined in accordance with the ruling issued by the Shariah Adviser.

Prospective investors should read and understand the contents of this Prospectus and, if necessary, should consult their adviser(s).

If you are interested in the Fund, have any queries or require further information, please contact our client servicing personnel at 03-2297 7888 at any time during office hours (8.45 a.m. to 5.45 p.m.) from Monday to Thursday and (8.45 a.m. to 4.45 p.m.) on Friday on a Business Day. Alternatively, you may e-mail your enquiries to mamcs@maybank.com.my.

(4) FEES, CHARGES AND EXPENSES

Charges

The following describes the charges that investors may **directly** incur when buying or redeeming Units of the Fund:

4.1 Sales Charge

A sales charge may be imposed by the Manager on the purchase of Units of the Fund.

The sales charge shall be a percentage of the NAV per Unit of the Fund and is disclosed as follows:

Fund	MAEF
Sales Charge*	Up to 5.00%

Note:*
The Manager reserves the right to waive or reduce the sales charge from time to time at its absolute discretion. Investors may also negotiate for a lower sales charge. All sales charges will be rounded up to two (2) decimal places and will be retained by the Manager.

Please refer to the illustration on how the sales charge is calculated in section 5.3.

4.2 Redemption Charge

No redemption charge will be imposed on Unit Holders.

4.3 Transfer Fee

A transfer fee of RM10 per transfer will be imposed on Unit Holders.

Notes:
(1) The Manager reserves the right to waive the transfer fee.
(2) The Manager reserves the right to decline any transfer request if such transfer will expose the Manager to any liability and/or will contravene any law or regulatory requirements, whether or not having the force of law.

4.4 Switching Fee

A switching fee of RM10.00 per switch will be imposed on Unit Holders.

Notes:
(1) The Manager reserves the right to waive the switching fee.
(2) In addition to the switching fee, the Unit Holder will have to pay the difference in sales charge when switching from a fund with lower sales charge to a fund with higher sales charge.

Fees And Expenses

The fees and expenses **indirectly** incurred by an investor when investing in the Fund are as follows:

4.5 Management Fee

Fund	MAEF
Management Fee	Up to 1.50% per annum of the NAV of the Fund, accrued daily and paid monthly to the Manager.

Please note that the example below is for illustration purposes only:

Assuming that the NAV of the Fund is RM100 million for that day, the accrued management fee of the Fund for that day would be:

$$\frac{\text{RM100,000,000 x 1.50\%}}{\text{365 days}} = \text{RM4,109.59 per day}$$

The management fee is accrued daily and paid monthly to the Manager.

4.6 Trustee Fee

The Trustee is entitled to a trustee fee of 0.06% per annum of the NAV of the Fund (excluding foreign custodian fees and charges), accrued daily and paid monthly to the Trustee.

Please note that the example below is for illustration purposes only:

Assuming that the NAV of the Fund is RM100 million for that day, the accrued trustee fee for the Fund for that day would be:

$$\frac{\text{RM100,000,000 x 0.06\%}}{\text{365 days}} = \text{RM164.38 per day}$$

4.7 Fund Expenses

In administering the Fund, only fees and expenses that are directly related and necessary to the operation and administration of the Fund may be charged to the Fund. These include (but not limited to) the following:

(i) commissions or fees paid to dealers or brokers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;

(ii) taxes and other duties charged on the Fund by the government and/or other authorities;

(iii) fees and expenses properly incurred by the auditors appointed for the Fund;

(iv) fees for the valuation of any investment of the Fund;

(v) 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;

(vi) 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;

(vii) costs, commissions, fees and expenses of the sale, purchase, takaful and any other dealing of any asset of the Fund;

(viii) costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;

(ix) costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund;

(x) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;

(xi) costs, fees and expenses incurred in the termination of the Fund or the removal or retirement of the Trustee or the Manager and the appointment of a new trustee or management company;

(xii) 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);

(xiii) 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;

(xiv) 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; and

(xv) (where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians taking into custody any foreign assets or investments of the Fund.

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

4.8 Policy on Rebates and Soft Commissions

The Manager, the fund manager, the Trustee or the Trustee's delegate should not retain any rebate from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission will be directed to the Fund's account.

However, soft commissions provided by any broker or dealer may be retained by the Manager or the fund manager if:

(i) the soft commissions bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;

(ii) any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund; and

(iii) the availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and we will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.

4.9 Tax

Unit Holders and/or the Fund, as the case may be, will bear any tax which may be imposed by the government or other authorities from time to time in addition to the applicable fees, charges and expenses stated in this Prospectus.

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

(5) TRANSACTION INFORMATION

5.1 Valuation Point

The Fund is valued once every Business Day after the close of the market in which the portfolio of the Fund is invested for the relevant day but not later than the end of the next Business Day.

As such, the daily price of the Fund for a particular Business Day will be published two (2) Business Days later (i.e., the price will be two (2) days old).

Currency translation of foreign securities to the Fund's base currency (RM) shall be based on the bid exchange rate quoted by Bloomberg/Reuters at United Kingdom time 4.00 p.m. which is equivalent to 11.00 p.m. or 12.00 midnight (Malaysian time) on the same day, or such other time as prescribed from time to time by FIMM or any relevant laws.

5.2 Computation of NAV and NAV per Unit

The NAV of the Fund is determined daily at the valuation point by deducting the value of the Fund's liabilities from the value of the Fund's assets. For the purpose of computing the management fee and trustee fee, the NAV of the Fund should be inclusive of the management fee and the trustee fee.

Please note that the example below is for illustration only:

		RM
	Value of the Fund	100,000,000.00
Add :	Other Assets (including cash) & Income	1,400,000.00
Less :	Liabilities	200,000.00
	NAV of the Fund before deducting management fee and trustee fee for the day	101,200,000.00
Less :	Management fee for the day (at 1.50% per annum calculated based on the NAV) RM 101,200,000X 1.50% / 365 days	4,158.90
Less :	Trustee fee for the day (at 0.06% per annum calculated based on the NAV) RM 101,200,000 X 0.06% / 365 days	166.36
	Total NAV	**101,195,674.74**

The NAV per Unit of the Fund is calculated by dividing the total NAV of the Fund by the number of Units in circulation at the end of each Business Day.

Assuming there are 100,000,000 Units of the Fund in circulation at the point of valuation, the NAV per Unit of the Fund shall therefore be calculated as follows:

		RM
	NAV	101,195,674.74
Divide:	Units in circulation	100,000,000
	NAV per Unit of the Fund	**1.0120***

** NAV per Unit will be rounded up to four (4) decimal places for the purposes of publication of the NAV per Unit.*

5.3 Pricing of Units

Single Pricing Regime

The Manager adopts a **single pricing regime** in calculating a Unit Holder's purchase and redemption of Units. This means that all purchases and redemptions are transacted on a single price (i.e. NAV per Unit). Unit Holders would therefore purchase and redeem Units at NAV per Unit. The Selling Price per Unit and Redemption Price per Unit are based on Forward Pricing.

Selling Price of Units

The Selling Price of a Unit for the Fund is the NAV per Unit of the Fund at the next valuation point after the request to purchase Units is received by the Manager (Forward Pricing). The Manager may impose a sales charge of up to 5.00% of the NAV per Unit of the Fund.

Calculation of Selling Price

Illustration – *Sale of Units*

Example:

If an investor wishes to invest RM10,000 in the Fund before 4.00 p.m. on any Business Day, and if the sales charge is 5.00% of the NAV per Unit, the total amount to be paid by the investor and the number of Units issued to an investor will be as follows:

$$\text{Sales charge} = \frac{\text{investment amount}}{1 + \text{sales charge (\%)}} \times \text{sales charge (\%)}$$

$$= \frac{\text{RM10,000}}{1 + 5.00\%} \times 5.00\%$$

$$= \text{RM476.19}$$

Net investment amount = investment amount – sales charge
= RM10,000 – RM476.19
= RM9,523.81

Units credited to investor = net investment amount / NAV per Unit
= RM9,523.81 / RM1.000
= 9,523.81 Units

INVESTORS ARE ADVISED NOT TO MAKE PAYMENT IN CASH TO ANY INDIVIDUAL AGENT WHEN PURCHASING UNITS OF THE FUND.

Redemption Price of Units

The Redemption Price of a Unit of the Fund is the NAV per Unit at the next valuation point after the redemption request is received by the Manager (Forward Pricing). The Manager does not impose any redemption charge on the redemption of Units by the Unit Holders.

Calculation of Redemption Price

Illustration – Redemption of Units

Example:

If a Unit Holder wishes to redeem 10,000 Units from the Fund before 4.00 p.m. on any Business Day and there is no redemption charge imposed, the total amount to be paid to the Unit Holder will be as follows:

Assuming that the NAV per Unit of the Fund on a Business Day = RM1.0000

Redemption charge would be: 0% x RM10,000 = 0

The total amount to be paid to the Unit Holder will be:
= the number of Units to be redeemed multiplied with the NAV per Unit less redemption charge
= [10,000 Units x RM1.000] – RM0.00
= **RM10,000.00**

Therefore, the Unit Holder will receive **RM10,000.00** as redemption proceeds

5.4 Incorrect Pricing

The Manager shall ensure that the Fund and the Units are correctly valued and priced according to the Deed and all relevant laws. Where there is an error in the valuation and pricing of the Fund and/or Units, any incorrect valuation and pricing of the Fund and/or Units which is deemed to be significant will involve the reimbursement of money in the following manner:

(i) by the Manager to the Fund; or

(ii) by the Fund to the Unit Holders and/or to the former Unit Holders.

However, reimbursement of money shall only apply if the error is at or above the significant threshold of 0.5% of the NAV per Unit and the amount to be reimbursed is RM10.00 or more.

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

(6) TRANSACTION DETAILS

6.1 How and where to Purchase and Redeem Units of the Fund

Investors can purchase and redeem Units of the Fund at the Manager's business office and the appointed distributors. Please refer to Section 15 of this Prospectus for the directory of the Manager. Investors may purchase Units by simply completing the application form and submitting it to the Manager or appointed distributors.

6.2 Investment

The minimum initial investment for the Fund is RM1,000 or such other lower amount as determined by the Manager from time to time and the minimum additional investment is RM100 or such other lower amount as determined by the Manager from time to time.

Investors are recognised as Unit Holders only after they have been registered in the Unit Holders' register. The registration takes effect from the date the Manager receives and accepts the application to purchase Units from investors together with the payment thereof.

Note: The Manager's distributors may set a lower minimum initial and/or additional investments than the above for investments made via the distributors subject to their terms and conditions for investment.

6.3 Redemption of Units

Unit Holders may redeem part or all of their Units on any Business Day by simply completing the redemption request form and returning it to the Manager.

Minimum Redemption and Restriction on Frequency of Redemption
There is no minimum redemption amount for redemption of Units and there is no restriction on the frequency of redemption.

However, for partial redemption, the Unit holdings after the redemption must not be less than 500 Units or such other lower number of Units as determined by the Manager from time to time. If the Unit holdings of a Unit Holder are, after a redemption request, below the minimum Unit holdings for the Fund, full redemption will be initiated. Transaction costs such as charges for electronic payments, if any, will be borne by Unit Holders and will be set-off against the redemption proceeds.

Payment of Redemption Proceeds
Unit Holders shall be paid within seven (7) Business Days from the date the redemption request is received by the Manager.

6.4 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 (e.g. where the market value or fair value of a material portion of the Fund's assets cannot be determined).

The Manager will cease the suspension as soon as practicable after the aforesaid circumstances has ceased, and in any event within twenty-one (21) days of commencements of suspension. The period of suspension may be extended if the Manager satisfies the Trustee that it is in the best interest of Unit Holders for the dealing in Units to remain suspended. Such suspension will be subject to weekly review by the Trustee.

Any redemption request received by the Manager during the suspension period will only be accepted and processed on the next Business Day after the cessation of suspension of the Fund. In such cases, Unit Holders will be compelled to remain invested in the Fund for a longer period of time than the stipulated redemption timeline. Hence, their investments will continue to be subjected to the risk factors inherent to the Fund.

Where such suspension is triggered, the Manager will inform all Unit Holders in a timely and appropriate manner of its decision to suspend the dealing in Units.

6.5 Transfer of Units

Transfer of ownership of Units is allowed for this Fund.

Transfer of ownership from the account of the deceased Unit Holder to his/her personal representative will only be undertaken through the process of estate administration and death claims procedures.

6.6 Switching between Funds

Unit Holders are permitted to switch from and to other funds managed by the Manager provided that both funds are denominated in the same currency. Switching is treated as withdrawal from one (1) fund and an investment into another fund. Switching will be made at the prevailing net asset value per unit of the fund to be switched from on a Business Day when the switching request is received by the Manager, subject to availability and any terms and conditions imposed by the intended fund to be switched to, if any.

There is no restriction on the minimum number of Units for a switch or the frequency of switching. However, Unit Holders must meet the minimum Unit holdings (after the switch) of the Fund that the Unit Holders intend to switch from unless the Unit Holders are redeeming all their investments from the Fund.

A Unit Holder switching from a fund with a lower sales charge, to a fund with a higher sales charge will pay the difference in sales charge between the sales charges of these two (2) funds in addition to the switching fee. If the Unit Holder switches from a fund with higher sales charge to a fund with a lower sales charge, the Unit Holder does not need to pay the difference in sales charge between these funds.

For example:-

Scenario 1
If a Unit Holder invested in a fund with no sales charge and now wishes to switch to another fund which has a sales charge of 1.00% on the net asset value per unit, the Unit Holder will be charged the difference of sales charge of 1.00% on the net asset value per unit of the fund being switched into in addition to the switching fee of the fund the Unit Holder switched from.

Scenario 2
If a Unit Holder invests in a fund with a sales charge of 1.00% on the net asset value per unit and now wishes to switch to another fund which has no sales charge, the Unit Holder will not be charged any sales charge.

Any switching request made **on or before the cut-off time of 4.00 p.m.** will be made at the NAV per unit of the fund to be switched from when the switching request is received and accepted by the Manager on a Business Day, subject to availability and any terms and conditions imposed by the intended fund, if any.

Any switching request received or deemed to have been received after this cut-off time would be considered as being transacted on the following Business Day.

The Manager reserves the rights to vary the terms and conditions for switching from time to time, which shall be communicated to the Unit Holders in writing.

However, switching from an Islamic fund to a conventional fund is discouraged especially for Muslim Unit Holders.

Note: The Manager's distributors may set an earlier cut-off time for receiving applications in respect of any switching of Units. Please check with the respective distributors for their respective cut-off time.

6.7 Cut-Off Time for Investment and Redemption of Units

The cut-off time shall be at **4.00 p.m.** on a Business Day.

Any investment applications received via e-mail notification (or by fax, if e-mail is down) by the Manager as well as cleared funds (unless any prior arrangement is made with the Manager) received on or before the cut-off time on a Business Day will be processed on the same Business Day based on the Forward Pricing of the Fund.

Any applications received after the cut-off time on a Business Day will be treated as having been received on the next Business Day and will be processed on the next Business Day based on the next Forward Pricing of the Fund.

The above is in accordance with the standards issued by FIMM on the dealing cut-off time.

Note: The Manager's distributors may set an earlier cut-off time for receiving applications in respect of any dealing in Units. Please check with the respective distributors for their respective cut-off time.

6.8 Notice of Cooling-off Period

A cooling-off right refers to the right of an individual Unit Holder to obtain a refund of his investment in the Fund if he so requests within the cooling-off period. A cooling-off right is only given to an individual investor, **other than those listed below**, who is investing in any of the Manager's funds **for the first time**:

(i) a staff of the Manager; and
(ii) persons registered with a body approved by the SC to deal in unit trusts.

The cooling-off period shall be for a total of six (6) Business Days commencing from the date the application for Units is received by the Manager.

The refund for every Unit held by the investor pursuant to the exercise of his cooling-off right shall be as follows:

(i) if the NAV per Unit on the day the Units were first purchased is higher than the NAV per Unit at the point of exercise of the cooling-off right ("Market Price"), the Market Price at the point of cooling-off; or
(ii) if the Market Price is higher than the NAV per Unit on the day the Units were first purchased, the NAV per Unit on the day the Units were first purchased; and
(iii) the sales charge per Unit originally imposed on the day the Units were purchased.

Note: With effect from 1 March 2023, the refund pursuant to a Unit Holder's exercise of cooling-off right will be as mentioned above. Prior to 1 March 2023, the refund would be

based on the NAV per Unit on the day the Units were first purchased and the sales charge originally imposed on the day the Units were purchased.

Unit Holders shall be refunded within seven (7) Business Days from receipt of the cooling-off application.

Note: With effect from 1 March 2023, the cooling-off proceeds will be refunded to you within seven (7) Business Days. Prior to 1 March 2023, the cooling-off proceeds would be refunded within ten (10) days.

INVESTORS ARE ADVISED NOT TO MAKE PAYMENT IN CASH TO ANY INDIVIDUAL AGENT WHEN PURCHASING UNITS OF THE FUND.

6.9 Distribution of Income

Distribution, if any, is incidental and will be made from the realised income and realised gain of the Fund.

Mode of Distribution
Unit Holders may elect to either receive income payment via cash payment mode or reinvestment mode.

If the Unit Holder did not elect the mode of distribution, all income distribution will be automatically reinvested in additional Units based on the NAV per Unit of the Fund at the income payment date (which is within seven (7) Business Days from the Ex-distribution Date).

Unit Holders who elect to receive income payment via cash payment mode may receive income payment by way of electronic payment into the Unit Holder's bank account on the income payment date (which is within seven (7) Business Days from the Ex-distribution Date).

Please note that all bank charges for the electronic payment will be borne by the Unit Holders. The transfer charges will be deducted directly from the transferred amount before being paid to the Unit Holders' bank account.

Notes:
(1) If the bank transfer remained unsuccessful and unclaimed for six (6) months, the unclaimed income distribution will be reinvested into the Fund within thirty (30) Business Days after the expiry of the six (6) months period based on the prevailing NAV per Unit on the day of the reinvestment if the Unit Holders still hold Units of the Fund.
(2) Unit Holders investing in the Fund through the Manager's distributors will be subject to the applicable mode of distribution (i.e., cash payment or reinvestment or both) which has been chosen by the Manager's distributors. Please check with the respective distributors for the mode of distribution available to you.

Reinvestment Policy
For Unit Holders who elect to reinvest the distribution in additional Units, the Manager will create such Units based on the NAV per Unit* of the Fund at the income reinvestment date (which is within seven (7) Business Days from the Ex-distribution Date).

**There will not be any additional cost to Unit Holders for reinvestments in new additional Units.*

6.10 Anti-Money Laundering Policies and Procedure

The Manager have established this set of policies and procedures to prevent money laundering activity and to report transactions if it appears to be suspicious, in compliance with the provision of Anti Money-Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act, 2001 ("AMLA"). In view of these, the Manager has a duty to ensure the following are strictly adhered to:-

i) Compliance with laws: The Manager shall ensure that laws and regulations are adhered, the business is conducted in conformity with high ethical standards and that service is not provided where there is good reason to suppose that transactions are associated with money laundering activities;

ii) Co-operation with law enforcement agencies: The Manager shall co-operate fully with law enforcement agencies. This includes taking appropriate measures such as disclosure of information by the Manager to the Financial Intelligence and Enforcement Department in Bank Negara Malaysia;

iii) Policies, procedures and training: The Manager shall adopt policies consistent with the principles set out under the AMLA and ensure that the Manager's staff is informed of these policies and provide adequate training to the Manager's staff on matters provided under the AMLA; and

iv) Know your customer: The Manager shall obtain satisfactory evidence of the customer's identity and have effective procedure for verifying the bona fides of the customer.

UNIT PRICES AND DISTRIBUTIONS PAYABLE, IF ANY, MAY GO DOWN AS WELL AS UP.

(7) THE MANAGER

7.1 Background Information

The Manager's corporate information, including the Manager's experience in operating unit trust funds is available on the Manager's website at https://www.maybank-am.com.my/corporate-profile.

7.2 Functions, Duties and Responsibilities of the Manager

The Manager's general functions, duties and responsibilities include, but are not limited to, the following:

- carrying out and conducting business in a proper and diligent manner and be responsible for daily sales and management of the Fund and the general administration of the Fund in accordance with the Deed, the CMSA and the relevant guidelines and other applicable laws at all times;
- observing high standards of integrity and fair dealing in managing the Fund to the best and exclusive interest of the Unit Holders; and
- acting with due care, skill and diligence in managing the Fund and effectively employing the resources and procedures necessary for the proper performance of the Fund.

7.3 Board of Directors of the Manager

The Manager has an experienced board of directors with background in the financial industry. The business and affairs of the Manager shall be managed under the direction and oversight of the board of directors. Board meetings are held at least four (4) times annually or more frequently should the circumstances require.

The list of our board of directors is available on our website at https://www.maybank-am.com.my/key-people.

7.4 Fund Management Function

The designated fund manager for the Fund is Syhiful Zamri bin Abdul Azid.

Syhiful is the Chief Investment Officer of the Manager and his profile is available on our website at https://www.maybank-am.com.my/key-people

7.5 Material Litigation and Arbitration of the Manager

As at LPD, there is no material litigation or arbitration, including any pending or threatened and there are no facts likely to give rise to any proceedings which might materially affect the business or financial position of the Manager.

7.6 External Investment Manager

Functions of the External Investment Manager

The Manager has appointed Maybank Islamic Asset Management Sdn Bhd ("MIAM") as the external investment manager for the Fund. The role and responsibilities of MIAM is to manage the investment portfolio in accordance with the investment objective of the Fund and subject to the CMSA, the Guidelines and the terms and conditions of the fund delegation agreement between MIAM and the Manager.

Experience of MIAM

The experience of MIAM in managing unit trust funds is available on our website at https://www.maybank-am.com/web/islamic/corporate-profile

Designated fund manager for the External Investment Manager

The designated fund manager for the Fund is **Muhammad Riduan bin Jasmi**.

Muhammad Riduan bin Jasmi is the Chief Investment Officer of MIAM and his profile is available at https://www.maybank-am.com/web/islamic/key-people

Material Litigation and Arbitration of the External Investment Manager

As at LPD, there is no material litigation or arbitration, including any pending or threatened, and there are no facts likely to give rise to any proceedings which might materially affect the business or financial position of MIAM.

7.7 Investment Adviser

Maybank Asset Management Singapore Pte. Ltd. is the investment adviser for the Fund and information relating to the Investment Adviser is available at https://www.maybank-am.com.sg/corporate_profile.

The role and responsibilities of the Investment Adviser include but are not limited to provide investment advisory services to the Manager in accordance with the investment objective of the Fund and its Deed, and subject to the investment restrictions of the Fund.

Note: For more information and/or updated information about the Manager, Shariah Adviser and the External Investment Manager, please refer to the Manager's website at http://www.maybank-am.com.

(8) THE TRUSTEE

8.1 Corporate Information

TMF Trustees Malaysia Berhad was incorporated in Malaysia on 1 April 2003 under the Companies Act 1965 (now known as Companies Act 2016) and registered as a trust company under the Trust Companies Act 1949 on 9 October 2003. Its registered and business address is at 10th Floor, Menara Hap Seng, No. 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur, Malaysia.

The Trustee is part of TMF Group, an independent global service provider in the trust & fiduciary services and global business services. The group has more than 125 offices in 83 jurisdictions in the world. TMF Group started in Malaysia in 1992 with its first office in Labuan International Business Financial Centre (IBFC), providing trust and fiduciary services. The Kuala Lumpur office was established in 2003 to support the Labuan office in servicing Malaysian clients and to undertake domestic trust business.

8.2 Experience in Trustee Business

The Trustee provide various types of trustee service, such as security trustee for private debt securities, corporate administrator to asset-backed securities, trustee for unit trust funds & private trust. The TMF Group provides a more comprehensive range of corporate secretarial services, financial accounting, HR administrative and payroll outsourcing services.

8.3 Duties and Responsibilities of the Trustee

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

8.4 Trustee's Disclosure of Material Litigation and Arbitration

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

8.5 Trustee's Delegate

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

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

(9) THE SHARIAH ADVISER

9.1 Background

Amanie Advisors Sdn Bhd ("Amanie") is the Shariah adviser for the Fund and information relating to the Shariah Adviser is available at https://www.maybank-am.com.my/key-people.

The Shariah Adviser is independent from the Manager and none of its consultants are person(s) or members of a committee undertaking the oversight function of the Fund or any other funds managed by the Manager.

9.2 Roles & Responsibilities

As the appointed Shariah Adviser for the Fund, the roles and responsibilities of Amanie include:

- Ensuring that the Fund is managed and administered in accordance with the Shariah principles;
- Perform Shariah assessment/evaluation on constituents of the benchmark index as and when requested by the Manager;
- Providing expertise and guidance for the Fund in all matters relating to Shariah principles, including on the Fund's Deed and Prospectus, its structure and investment process, and other operational and administrative matters;
- Consulting the SC who may consult the SACSC should there be any ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process;
- Scrutinising the Fund's compliance report as provided by the compliance officer, transaction report provided by or duly approved by the Trustee and any other report deemed necessary for the purpose of ensuring the Fund's investments are in line with the Shariah principles;
- Preparing a report to be included in the Fund's annual reports certifying whether the Fund has been managed and administered in accordance with the Shariah principles;
- Ensuring that the Fund complies with any guideline, ruling or decision issued by the SC, including resolutions issued by the SACSC with regard to Shariah matters; and
- Vetting and advising on the promotional materials of the Fund.

Amanie will meet with the Manager once every quarter to review the Fund's investments to ensure compliance with Shariah principles and address Shariah advisory matters pertaining to the Fund, if any.

9.3 Profile of the Shariah Team

The designated persons responsible for Shariah matters relating to the Fund are:

TAN SRI DR MOHD DAUD BAKAR
Shariah adviser/ Executive Chairman
His profile is available at https://www.maybank-am.com.my/key-people.

SUHAIDA MAHPOT
Chief Executive Officer
Her profile is available at https://www.maybank-am.com.my/key-people.

(10) SALIENT TERMS OF THE DEED

10.1 Unit Holders' Rights and Liabilities

A Unit Holder is a person registered in the register as a holder of Units or fractions of Units in the Fund which automatically accord him rights and interest in the Fund.

Unit Holders' Rights

A Unit Holder has the right, amongst others:

1. to receive distributions, if any, of the Fund;
2. to participate in any increase in the NAV of Units of the Fund;
3. to call for Unit Holders' meetings and to vote for the removal of the Trustee or the Manager through special resolution;
4. to exercise the cooling-off right (only for qualified investors);
5. to receive annual and semi-annual reports on the Fund; and
6. to exercise such other rights and privileges as provided for in the Deed.

A Unit Holder would not, however, have the right to require the transfer to the Unit Holder of any of the investments of the Fund. Neither would a Unit Holder have the right to interfere with or to question the exercise by the Trustee (or the Manager on the Trustee's behalf) of the rights of the Trustee as registered owner of the investments of the Fund.

Unit Holders' Liabilities

1. No Unit Holder is liable for any amount in excess of the purchase price paid for the Units as determined pursuant to the Deed at the time the Units were purchased and any charges payable in relation thereto.

2. A Unit Holder 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.

10.2 Maximum Fees and Charges Permitted by the Deed

Fund	Maximum Sales Charge (based on the NAV per Unit of the Fund)	Maximum Redemption Charge (based on the NAV per Unit of the Fund)	Maximum Management Fee (based on the NAV of the Fund)	Maximum Trustee Fee (based on the NAV of the Fund)
MAEF	5%	3%	2% per annum	0.06% per annum (excluding foreign custodian fees and charges)

Any increase of the fees and/or charges above the maximum stated in the Deed shall require Unit Holders' approval.

10.3 Procedures to Increase the Direct and Indirect Fees and Charges

Sales Charge

The Manager may not charge a sales charge at a rate higher than that disclosed in the Prospectus unless:

(a) the Manager has notified the Trustee in writing of the higher charge and the effective date for the higher charge;
(b) a supplemental/ replacement prospectus setting out the higher charge is registered, lodged and issued; and
(c) such time as may be prescribed by any relevant law has elapsed since the effective date of the supplemental/ replacement prospectus.

Redemption Charge

The Manager may not charge a redemption charge at a rate higher than that disclosed in the Prospectus unless:

(a) the Manager has notified the Trustee in writing of the higher charge and the effective date for the higher charge;
(b) a supplemental/ replacement prospectus setting out the higher charge is registered, lodged and issued; and
(c) such time as may be prescribed by any relevant law has elapsed since the effective date of the supplemental/ replacement prospectus.

Management Fee

The Manager may not charge a management fee at a rate higher than that disclosed in the Prospectus unless:

(a) the Manager has come to an agreement with the Trustee on the higher rate;
(b) 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;
(c) a supplemental/ replacement prospectus stating the higher rate is registered, lodged and issued; and
(d) such time as may be prescribed by any relevant law shall have elapsed since the supplemental/ replacement prospectus is issued.

Trustee Fee

The Trustee may not charge a trustee fee at a rate higher than that disclosed in the Prospectus unless:

(a) the Manager has come to an agreement with the Trustee on the higher rate;
(b) 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;
(c) a supplemental/ replacement prospectus stating the higher rate is registered, lodged and issued; and
(d) such time as may be prescribed by any relevant law shall have elapsed since the supplemental/ replacement prospectus is issued.

10.4 Retirement, Removal and 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 six (6) 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 fulfilment of the conditions as stated in the Deed.

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

(a) 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 interest of the Unit Holders for it to do so after the Trustee has given notice to it 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;

(b) 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

(c) 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.

In any of the events set out above occurs, the Manager shall upon receipt of a written notice from the Trustee cease to be the management company of the Fund by the mere fact that the Manager has received the notice. The Trustee shall, at the same time, by writing appoint some other corporation already 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.

10.5 Retirement, Removal and Replacement of the Trustee

The Trustee may retire upon giving six (6) months' notice to the Manager of its desire to do so 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.

The Trustee may be removed and another trustee may be appointed by special resolution of the Unit Holders at a Unit Holders' meeting convened in accordance with the Deed or as stipulated in the Act.

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

(a) The Trustee has ceased to exist;

(b) The Trustee has not been validly appointed;

(c) The Trustee is not eligible to be appointed or to act as trustee under any relevant law;

(d) The Trustee has failed or refused to act as trustee in accordance with the provisions or covenants of the Deed or any relevant law;

(e) 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;

(f) A petition has been presented for the winding up of the Trustee (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the Trustee becomes or is declared to be insolvent); or

(g) The Trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 2016 or any securities law.

10.6 Termination of the Fund

The Fund may be terminated or wound up should the following events occur:

(a) the authorisation of the Fund has been revoked by the SC;
(b) a special resolution is passed at a Unit Holders' meeting to terminate or wind up the Fund, following occurrence of events stipulated under section 301(1) of the CMSA and the court has confirmed the resolution, as required under section 301(2) of the CMSA;
(c) a special resolution is passed at a Unit Holders' meeting to terminate or wind up the Fund; and
(d) the effective date of an approved transfer scheme (if any) has resulted in the Fund, which is the subject of the transfer scheme, being left with no asset/property.

The Manager may also, in consultation with the Trustee, terminate the Fund if the termination of the Fund is in the best interests of the Unit Holders and the Manager deems it to be uneconomical for the Manager to continue managing the Fund.

Procedures for termination of the Fund

Upon the termination of the Fund, the Trustee shall:

(a) sell all the assets of the Fund then remaining in its hands and pay out of the Fund any liabilities of the Fund; such sale and payment shall be carried out and completed in such manner and within such period as the Trustee considers to be in the best interests of the Unit Holders; and

(b) from time to time distribute to the Unit Holders, in proportion to the number of Units held by them respectively:

(1) the net cash proceeds available for the purpose of such distribution and derived from the sale of the investments and assets of the Fund less any payments for liabilities of the Fund; and

(2) any available cash produce,

provided always that the Trustee shall not be bound, except in the case of final distribution, to distribute any of the moneys for the time being in his hands the amount of which is insufficient for payment to the Unit Holders of RM0.50 in respect of each Unit and provided also that the Trustee shall be entitled to retain out of any such moneys in his hands full provision for all costs, charges, taxes, expenses, claims and demands incurred, made or anticipated by the Trustee in connection with or arising out of the winding-up of the Fund and, out of the moneys so retained, to be indemnified against any such costs, charges, taxes, expenses, claims and demands; each of such distribution shall be made only against the production of such evidence as the Trustee may require of the title of the Unit Holder relating to the Units in respect of which the distribution is made.

In the event of the Fund being terminated:

(a) 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;

(b) the Manager and the Trustee shall notify the relevant authorities in such manner as may be prescribed by any relevant law; and

(c) the Manager or the Trustee shall notify the Unit Holders in such manner as may be prescribed by any relevant law.

10.7 Unit Holders' Meeting

A Unit Holders' meeting may be called by the Manager, Trustee and/or Unit Holders. Any such meeting must be convened in accordance with the Deed and/or the Guidelines.

Every question arising at any meeting shall be decided in the first instance by a show of hands unless a poll is demanded or if it be a question which under the deed requires a special resolution, in which case a poll shall be taken. On a show of hands every Unit Holder who is present in person or by proxy shall have one vote.

Quorum

(a) The quorum required for a meeting of the Unit Holders shall be five (5) Unit Holders, whether present in person or by proxy; however, if the Fund has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders shall be two (2) Unit Holders, 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 at the time of the meeting.

(c) If the Fund 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.

10.8 Permitted Expenses

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

(a) 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;
(b) taxes and other duties charged on the Fund by the government and/or other authorities;
(c) fees and expenses properly incurred by the auditor appointed for the Fund;
(d) fees for the valuation of any investment of the Fund;
(e) 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;
(f) 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;
(g) costs, commissions, fees and expenses of the sale, purchase, takaful and any other dealing of any asset of the Fund;
(h) costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
(i) costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund;
(j) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
(k) costs, fees and expenses incurred in the termination of the Fund or the removal or retirement of the Trustee or the Manager and the appointment of a new trustee or management company;

(l) 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);
(m) 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;
(n) 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; and
(o) (where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians taking into custody any foreign assets or investments of the Fund.

(11) CONFLICT OF INTEREST AND RELATED PARTY TRANSACTIONS

Related Party Transactions

Save as disclosed below, there are no existing or proposed related party transactions involving the Fund, the Manager, the Trustee and/or persons connected to them as at LPD:

Name of Party	Name of Related Party and Nature of Relationship	Existing / Potential Related Party Transaction
The Manager	Maybank. The Manager is wholly-owned by Maybank Asset Management Group Berhad ("MAMG"). Maybank is a substantial shareholder of MAMG.	Distributor: Maybank has been appointed as one of the Manager's institutional unit trust scheme advisers. Delegate: The Manager has delegated its back office functions (i.e. the fund accounting and valuation function, clearing and settlement and maintenance of the register of Unit Holders) to Maybank Securities Solutions which is a unit within Maybank.
	MAMG. The Manager is wholly-owned by MAMG.	Delegate: The Manager has delegated its back office functions (i.e. finance performance attribution, administration, legal, compliance, corporate secretarial services, strategy and project management office and risk management) to MAMG.
	Maybank Investment Bank Berhad. Maybank Investment Bank Berhad is wholly-owned by Maybank.	Delegate: The Manager has delegated its back office function (i.e. operations) to Maybank Investment Bank Berhad.
	Maybank Shared Services Sdn Bhd. Maybank Shared Services Sdn Bhd is wholly-owned by Maybank.	Delegate: The Manager has delegated its back office function (i.e. information technology) to Maybank Shared Services Sdn Bhd.
	Maybank Islamic Asset Management Sdn Bhd ("MIAM"). MIAM is wholly-owned by MAMG. MAMG wholly owns the Manager.	External Investment Manager: The Manager has appointed MIAM as the external investment manager of the Fund.

	Maybank Asset Management Singapore Pte Ltd ("MAMS"). MAMS is wholly-owned by MAMG. MAMG wholly owns the Manager.	Investment Adviser: The Manager has appointed MAMS to provide investment advisory services to the Manager in accordance with the investment objective of the Fund and its Deed, and subject to the investment restrictions of the Fund.

Policies On Dealing With Conflict Of Interest Situations

The Manager has in place policies and procedures to deal with any conflict of interest situations. In making an investment transaction for the Fund, the Manager 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.

The Manager and its directors including the person(s) or members of a committee undertaking the oversight function of the Fund will at all times act in the best interests of the Unit Holders of the Fund and will not conduct itself in any manner that will result in a conflict of interest or potential conflict of interest. In the unlikely event that any conflict of interest arises, such conflict shall be resolved such that the Fund is not disadvantaged. In the unlikely event that the Manager faces conflicts in respect of its duties to the Fund and its duties to the other funds that it manages, the Manager is obliged to act in the best interests of all its investors and will seek to resolve any conflicts fairly and in accordance with the Deed and the relevant laws.

Where a conflict or potential conflict of interest situation arises, it will be evaluated by the compliance department and disclosed to the executive director of the Manager for the next course of action. Conflict of interest situations involving the executive director will be disclosed to the Manager's board of directors for a decision on the next course of action. Directors or staffs who are in advisory positions such as portfolio managers or staffs who have access to information on transactions are not allowed to engage in dealings on their own account. The person(s) or members of a committee undertaking the oversight function of the Fund who hold substantial shareholdings or directorships in public companies shall refrain from any decision making if the Fund invests in the particular share or stocks of such companies.

The Manager has formulated policies and adopted certain procedures to prevent conflicts of interest situations.

They include the following:

(a) The adoption of the Manager's policy on ownership of shares and stocks of limited companies by the Manager's employees. The policy includes a requirement for all employees to submit a written declaration of their interests in the securities of limited companies;

(b) Prohibition of employees involved in share trading on the stock market, from trading in the open market in their private capacity, except with prior approval of the chief executive officer or compliance officer, or for the purpose of disposing shares in quoted limited companies acquired through sources permitted by the Manager;

(c) Limits set when using brokers, dealers and/or financial institutions for dealings of the investments of the unit trust funds;

(d) Duties for making investment decisions, raising accounting entries and ensuring that payments are properly segregated and carried out by different departments which are headed by separate persons;

(e) Investment procedures, authorised signatories and authorised limits are properly documented in the Manager's standard operating procedures;

(f) Holding meetings with the Trustee on a case to case basis to discuss issues related to the management of the unit trust fund, including conflict of interest situations; and

(g) A proper segregation of duties to prevent conflict of interest situations.

In addition, a periodic declaration of securities trading is required from all employees and the executive director of the Manager, to ensure that there is no potential conflict of interest between the employees' securities trading and the execution of the employees' duties to the Manager and customers of the Manager. The Manager has also appointed a senior compliance officer whose duties include monitoring and resolving conflict of interest situations in relation to unit trust funds managed and administered by the Manager.

As at LPD, the Manager is not aware of any existing or potential conflict of interest situations which may arise.

Other Declarations

The solicitors, Shariah Adviser, Investment Adviser and tax adviser confirm that there are no existing or potential conflicts of interest in their respective capacity as advisors for the Manager.

(12) ADDITIONAL INFORMATION

(a) Official Receipt and Statement of Investment

Each time a Unit Holder purchases Units or conducts any other transaction for the Fund, a confirmation advice is sent out to the Unit Holder by ordinary post. A computer generated statement will also be issued to provide the Unit Holder with a record of each and every transaction made in the account so that the Unit Holder may confirm the status and accuracy of his/her transactions, as well as to provide the Unit Holder with an updated record of his/her investment account(s) with the Manager.

(b) Keeping Track of the Daily Prices of Units

The Manager will publish the Fund's NAV per Unit on the Manager's website, www.maybank-am.com.my.

As the Fund has exposure to investment in foreign markets, the NAV per Unit for a particular Business Day will be published two (2) Business Days later.

(c) Financial Reports

Unit Holders will be informed of the Fund's performance through the audited annual reports and half-yearly unaudited reports. The reports will be sent to the Unit Holders within 2 months after the close of the financial year-end i.e. 31 January or semi-annual period.

(d) Changing account details

Unit Holders are required to inform the Manager in writing on any changes of their account details. The account details will amongst other things include the following:

(i) the Unit Holder's address and contact details;
(ii) signing instructions; and
(iii) distribution of income instruction.

(e) Unclaimed Monies

Any monies payable to Unit Holders which remain unclaimed for one (1) year will be handled in accordance with the requirements of the Unclaimed Moneys Act, 1965.

(f) Customer Information Service

Unit Holders can seek assistance on any issue relating to the Fund, from the Manager's client servicing personnel at Maybank AM's office at 03 – 2297 7888 from 8.45 a.m. to 5.45 p.m. from Monday to Thursday and from 8.45 a.m. to 4.45 p.m. on Friday. Unit Holders may also e-mail their enquiries to mamcs@maybank.com.my.

Alternatively, Unit Holders can contact:

(i) Complaints Bureau, FIMM via:

- Email: complaints@fimm.com.my
- Online complaint form: www.fimm.com.my
- Letter: Complaints Bureau
  Legal, Secretarial & Regulatory Affairs

Federation of Investment Managers Malaysia
19-06-1, 6th Floor Wisma Tune
No. 19, Lorong Dungun, Damansara Heights
50490 Kuala Lumpur.

(ii) Securities Industry Dispute Resolution Center (SIDREC) via:

- Tel No: 03 – 2282 2280
- Fax No: 03 – 2282 3855
- Email: info@sidrec.com.my
- Letter: Securities Industry Dispute Resolution Center
  Unit A-9-1, Level 9, Tower A
  Menara UOA Bangsar
  No. 5, Jalan Bangsar Utama 1
  59000 Kuala Lumpur.

(iii) Consumer & Investor Office, Securities Commission Malaysia via:

- Tel No: 03 – 6204 8999 (*Aduan hotline*)
- Fax No: 03 – 6204 8991
- Email: aduan@seccom.com.my
- Online complaint form : www.sc.com.my
- Letter: Consumer & Investor Office
  Securities Commission Malaysia
  No. 3 Persiaran Bukit Kiara
  Bukit Kiara
  50490 Kuala Lumpur

(g) The Deed

The Deed is dated 21 June 2013 (as amended by the first supplemental deed dated 20 March 2015, the second supplemental deed dated 10 December 2015 and the third supplemental deed dated 2 November 2022) and can be inspected at the office of the Manager during office hours (8.45 a.m. to 5.45 p.m.) from Monday to Thursday and (8.45 a.m. to 4.45 p.m.) on Friday on a Business Day.

(h) Approvals and Conditions

Not applicable for this Fund.

(i) Tax

Unit Holders and/or the Fund, as the case may be, will bear any tax which may be imposed by the government or other authorities from time to time in addition to the applicable fees, charges and expenses stated in the Prospectus.

(j) Consents

(i) The consent of the Trustee, External Investment Manager, Investment Adviser and Shariah Adviser for the inclusion of their names in this Prospectus in the manner and form in which such names appear have been given before the date of issue of this Prospectus and none of them have subsequently withdrawn their written consents prior to the date of this Prospectus.

(ii) The tax adviser has given its consent to the inclusion of its name and the Tax Adviser's Letter on Taxation of the Fund and Unit Holders in the form and

context in which they appear in this Prospectus and has not withdrawn such consent prior to the date of this Prospectus.

THE FUND'S ANNUAL REPORT IS AVAILABLE UPON REQUEST.

(13) DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Manager's registered office or such other place as the SC may determine, during normal business hours (8.45 a.m. to 5.45 p.m.) from Monday to Thursday and (8.45 a.m. to 4.45 p.m.) on Friday:

(i) the Deed;

(ii) the Prospectus and supplementary or replacement prospectus, if any;

(iii) the latest annual and semi-annual reports of the Fund;

(iv) each material contract disclosed in the Prospectus and, in the case of contracts not reduced into writing, a memorandum which gives full particulars of the contracts (if any);

(v) where applicable, the audited financial statements of the Manager and the Fund for the current financial year and for the last three financial years or if less than three years, from the date of incorporation or commencement;

(vi) any report, letter or other document, valuation and statement by any expert, any part of which is extracted or referred to in the Prospectus;

(vii) writ and relevant cause papers for all material litigation and arbitration disclosed in the Prospectus (if any); and

(viii) all consents given by experts disclosed in the Prospectus.

(14) TAXATION ADVISER'S LETTER

Building a better working world

Ernst & Young Tax Consultants Sdn. Bhd.
179793-K
SST ID: W10-1808-31044478
Level 23A Menara Milenium
Jalan Damanlela, Pusat Bandar Damansara
50490 Kuala Lumpur Malaysia

Tel: +603 7495 8000
Fax: +603 2095 5332 (General line)
+603 2095 7043
ey.com

Taxation adviser's letter in respect of the taxation
of the unit trust fund and the unit holders
(prepared for inclusion in this Replacement Prospectus)

Ernst & Young Tax Consultants Sdn Bhd
Level 23A Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur

4 January 2023

The Board of Directors
Maybank Asset Management Sdn Bhd
Level 12, Tower C
Dataran Maybank
No. 1, Jalan Maarof
59000 Kuala Lumpur

Dear Sirs

Taxation of the unit trust fund and unit holders

This letter has been prepared for inclusion in this Replacement Prospectus in connection with the offer of units in the unit trust known as Maybank AsiaPac Ex-Japan Equity-I Fund (hereinafter referred to as "the Fund").

The purpose of this letter is to provide prospective unit holders with an overview of the impact of taxation on the Fund and the unit holders.

Taxation of the Fund

The taxation of the Fund is subject to the provisions of the Malaysian Income Tax Act 1967 (MITA), particularly Sections 61 and 63B.

Subject to certain exemptions, the income of the Fund comprising profits and other investment income derived from or accruing in Malaysia after deducting tax allowable expenses, is subject to Malaysian income tax at the rate of 24% with effect from the year of assessment 2016.

Under Section 2(7) of the 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 *Syariah*.

The effect of this is that any gains or profits received (hereinafter referred to as "profits") and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of *Syariah*, will be accorded the same tax treatment as if they were interest.

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Tax allowable expenses would comprise expenses falling under Section 33(1) and Section 63B of the MITA. Section 33(1) permits a deduction for expenses that are wholly and exclusively incurred in the production of gross income. In addition, Section 63B allows unit trusts a deduction for a portion of other expenses (referred to as 'permitted expenses') not directly related to the production of income, as explained below.

"Permitted expenses" refer to the following expenses incurred by the Fund which are not deductible under Section 33(1) of the MITA:

- the manager's remuneration,
- maintenance of the register of unit holders,
- share registration expenses,
- secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage.

These expenses are given a partial deduction under Section 63B of the MITA, based on the following formula:

$$A \times \frac{B}{4C}$$

where A is the total of the permitted expenses incurred for that basis period;

B is gross income consisting of dividend[1], interest and rent chargeable to tax for that basis period; and

C is the aggregate of the gross income consisting of dividend[1] and interest (whether such dividend or interest is exempt or not) and rent, and gains made from the realisation of investments (whether chargeable to tax or not) for that basis period,

provided that the amount of deduction to be made shall not be less than 10% of the total permitted expenses incurred for that basis period.

[1] Pursuant to Section 15 of the Finance Act 2011, with effect from the year of assessment 2011, dividend income is deemed to include income distributed by a unit trust which includes distributions from Real Estate Investment Trusts.

Exempt income

The following income of the Fund is exempt from income tax:

- **Malaysian sourced dividends**

  All Malaysian-sourced dividends should be exempt from income tax.

- **Malaysian sourced interest**

  (i) interest from securities or bonds issued or guaranteed by the Government of Malaysia;

  (ii) interest from debentures or *sukuk*, other than convertible loan stock, approved or authorized by, or lodged with, the Securities Commission;

  (iii) interest from Bon Simpanan Malaysia issued by Bank Negara Malaysia;

  (iv) interest derived from Malaysia and paid or credited by banks licensed under the Financial Services Act 2013 or the Islamic Financial Services Act 2013[2];

  (v) interest derived from Malaysia and paid or credited by any development financial institution prescribed under the Development Financial Institutions Act 2002[2];

  (vi) interest from *sukuk* originating from Malaysia, other than convertible loan stock, issued in any currency other than Ringgit and approved or authorized by, or lodged with, the Securities Commission or approved by the Labuan Financial Services Authority (LFSA)[3]; and

  (vii) interest which is specifically exempted by way of statutory orders or any other specific exemption provided by the Minister.

- **Discount**

  Tax exemption is given on discount paid or credited to any unit trust in respect of investments as specified in items (i), (ii) and (iii) above.

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[2] Effective from 1 January 2019, the income tax exemption for a unit trust fund, pursuant to Paragraph 35A, Schedule 6 of the Income Tax Act, 1967 shall not apply to a wholesale fund which is a money market fund.

[3] Effective from the year of assessment 2017, the exemption shall not apply to interest paid or credited to a company in the same group or interest paid or credited to a bank licensed under the Financial Services Act 2013 or the Islamic Financial Services Act 2013; or a development financial institution prescribed under the Development Financial Institutions Act 2002.

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Foreign-sourced income

Pursuant to the Finance Act 2021, income derived by a resident person from sources outside Malaysia and received in Malaysia from 1 January 2022 will no longer be exempt from tax.

The Guidelines issued by the Malaysian Inland Revenue Board on 29 September 2022 define the term "received in Malaysia" to mean transferred or brought into Malaysia, either by way of cash[4] or electronic funds transfer[5] .

Foreign-sourced income (FSI) received in Malaysia during the transitional period from 1 January 2022 to 30 June 2022 will be taxed at 3% of gross. From 1 July 2022 onwards, FSI received in Malaysia will be taxed at the prevailing tax rate(s) of the taxpayer and based on applicable tax rules. Bilateral or unilateral tax credits may be allowed if the same income has suffered foreign tax, and where relevant conditions are met.

Income Tax (Exemption) (No. 6) Order 2022 has been issued to exempt a "qualifying person"[6] from the payment of income tax in respect of dividend income which is received in Malaysia from outside Malaysia, effective from 1 January 2022 to 31 December 2026. The exemption will however not apply to a person carrying on the business of banking, insurance or sea or air transport. As the definition of "qualifying person" does not include unit trust funds, it would mean that resident unit trust funds would technically not qualify for the exemption, unless there are further updates thereto.

Gains from the realisation of investments

Pursuant to Section 61(1) (b) of the MITA, gains from the realisation of investments will not be treated as income of the Fund and hence, are not subject to income tax. Such gains may be subject to real property gains tax (RPGT) under the Real Property Gains Tax Act 1976 (RPGT Act), if the gains are derived from the disposal of chargeable assets, as defined in the RPGT Act.

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[4] "Cash" in this context is defined as banknotes, coins and cheques.

[5] "Electronic funds transfer" means bank transfers (e.g., credit or debit transfers), payment cards (debit card, credit card and charge card), electronic money, privately-issued digital assets (e.g., crypto-assets, stablecoins) and central bank digital currency.

[6] "Qualifying person" in this context means a person resident in Malaysia who is:
(a) An individual who has dividend income received in Malaysia from outside Malaysia in relation to a partnership business in Malaysia;
(b) A limited liability partnership which is registered under the Limited Liability Partnerships Act 2012; or
(c) A company which is incorporated or registered under the Companies Act 2016.

Implementation of Sales and Service Tax ("SST")

Sales and Service Tax ("SST") was re-introduced effective 1 September 2018. Sales Tax of 10% (most common rate) or 5% is charged by Malaysian manufacturers of taxable goods or upon importation into Malaysia of such taxable goods, unless specifically exempted under the Sales Tax (Goods Exempted From Tax) Order 2018. Service Tax at the rate of 6% is charged on certain prescribed taxable services performed by taxable persons as stipulated under Service Tax Regulations 2018. The input tax recovery mechanism under the previous GST regime does not apply to SST. Therefore, any SST incurred is not recoverable and will form a cost element for businesses.

Based on the Service Tax Regulations 2018, a unit trust fund is neither regarded as a taxable person nor as providing taxable services and is therefore not liable for SST registration. Where the Fund incurs expenses such as management fees, the management services provided by asset and fund managers who are licensed or registered with Securities Commission Malaysia for carrying out the regulated activity of fund management under the Capital Markets and Services Act 2007, are specifically excluded from the scope of Service Tax. As for other fees, such as trustee fees and other administrative charges, these may be subject to 6% service tax provided they fall within the scope of service tax (i.e. are provided by a "taxable person", who exceeds the required annual threshold (in most cases RM 500,000 per annum) and the services qualify as "taxable services").

Taxation of unit holders

For Malaysian income tax purposes, unit holders will be taxed on their share of the distributions received from the Fund.

The income of unit holders from their investment in the Fund broadly falls under the following categories:

1. taxable distributions; and
2. non-taxable and exempt distributions.

In addition, unit holders may also realise a gain from the sale of units.

The tax implications of each of the above categories are explained below:

1. **Taxable distributions**

   Distributions received from the Fund will have to be grossed up to take into account the underlying tax paid by the Fund and the unit holder will be taxed on the grossed up amount.

Such distributions carry a tax credit, which will be available for set-off against any Malaysian income tax payable by the unit holder. Should the tax deducted at source exceed the tax liability of the unit holder, the excess is refundable to the unit holder.

Please refer to the paragraph below for the income tax rates applicable to the grossed up distributions.

2. **Non-taxable and exempt distributions**

Tax exempt distributions made out of gains from the realisation of investments and exempt income earned by the Fund will not be subject to Malaysian income tax in the hands of the unit holders.

A retail money market fund is exempted from tax on its interest income derived from Malaysia, pursuant to Paragraph 35A of Schedule 6 of the ITA. Pursuant to the Finance Act 2021, with effect from 1 January 2022, distributions by a retail money market fund from such tax exempt interest income, to a unit holder other than an individual, will no longer be exempt from tax. The distribution to unit holders other than individuals will be subject to withholding tax at 24%. This would be a final tax for non-residents. Malaysian residents are required to include the distributions in their tax returns and claim a credit in respect of the withholding tax suffered. Individuals will continue to be exempt from tax on such distributions.

Rates of tax

The Malaysian income tax chargeable on the unit holders would depend on their tax residence status and whether they are individuals, corporations or trust bodies. The relevant income tax rates are as follows:

Unit holders	Malaysian income tax rates
Malaysian tax resident:	
• Individual and non-corporate unit holders (such as associations and societies)	• Progressive tax rates ranging from 0% to 30%
• Co-operatives[7]	• Progressive tax rates ranging from 0% to 24%
• Trust bodies	• 24%
• Corporate unit holders	
(i) A company with paid up capital in respect of ordinary shares of not more than RM2.5 million (at the beginning of the basis period for the year of assessment) and gross income from a source or sources consisting of a business not exceeding RM50 million for the basis period for the year of assessment[8 9]	• First RM600,000 of chargeable income @ 17% • Chargeable income in excess of RM600,000 @ 24%
(ii) Companies other than (i) above	• 24%

[7] Pursuant to Paragraph 12(1), Schedule 6 of the MITA, the income of any co-operative society–
(a) in respect of a period of five years commencing from the date of registration of such co-operative society; and
(b) thereafter where the members' funds [as defined in Paragraph 12(2)] of such co-operative society as at the first day of the basis period for the year of assessment is less than seven hundred and fifty thousand ringgit,
is exempt from tax.

[8] A company would not be eligible for the 17% tax rate on the first RM600,000 of chargeable income if:-
(a) more than 50% of the paid up capital in respect of the ordinary shares of the company is directly or indirectly owned by a related company which has paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of a basis period for a year of assessment;
(b) the company owns directly or indirectly more than 50% of the paid up capital in respect of the ordinary shares of a related company which has paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of a basis period for a year of assessment;
(c) more than 50% of the paid up capital in respect of the ordinary shares of the company and a related company which has a paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of a basis period for a year of assessment is directly or indirectly owned by another company.

[9] The above excludes a business trust and a company which is established for the issuance of asset-backed securities in a securitization transaction approved by the Securities Commission.

Unit holders	Malaysian income tax rates
Non-Malaysian tax resident (Note 1):	
• Individual and non-corporate unit holders	• 30%
• Corporate unit holders and trust bodies	• 24%

Note 1:
Non-resident unit holders may be subject to tax in their respective countries depending on the provisions of the tax legislation in the respective countries and any existing double taxation arrangements with Malaysia.

Gains from sale of units

Gains arising from the realisation of investments will generally not be subject to income tax in the hands of unit holders unless they are insurance companies, financial institutions or traders / dealers in securities.

Unit splits and reinvestment of distributions

Unit holders may also receive new units as a result of unit splits or may choose to reinvest their distributions. The income tax implications of these are as follows:

- Unit splits - new units issued by the Fund pursuant to a unit split will not be subject to income tax in the hands of the unit holders.

- Reinvestment of distributions - unit holders may choose to reinvest their income distribution in new units by informing the Manager. In this event, the unit holder will be deemed to have received the distribution and reinvested it with the Fund.

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Building a better working world

The Board of Directors
Maybank AsiaPac Ex-Japan Equity-I Fund
4 January 2023

We hereby confirm that, as at the date of this letter, the statements made in this letter correctly reflect our understanding of the tax position under current Malaysian tax legislation and the related interpretation and practice thereof, all of which are subject to change, possibly on a retrospective basis. We have not been retained (unless specifically instructed hereafter), nor are we obligated to monitor or update the statements for future conditions that may affect these statements.

The statements made in this letter are not intended to be a complete analysis of the tax consequences relating to an investor in the Fund. As the particular circumstances of each investor may differ, we recommend that investors obtain independent advice on the tax issues associated with an investment in the Fund.

Yours faithfully
Ernst & Young Tax Consultants Sdn Bhd

Bernard Yap
Partner

Ernst & Young Tax Consultants Sdn Bhd has given its consent to the inclusion of the Taxation Adviser's Letter in the form and context in which it appears in this Replacement Prospectus and has not withdrawn such consent before the date of issue of this Replacement Prospectus.

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(15) DIRECTORY

Maybank Asset Management Sdn Bhd
Level 12, Tower C, Dataran Maybank
No 1, Jalan Maarof
59000 Kuala Lumpur
Malaysia

Tel No: 03 - 2297 7888
Fax No: 03 - 2715 0071
Website: http://www.maybank-am.com
Email: mamcs@maybank.com.my

LIST OF DISTRIBUTORS

Kindly contact the Manager for more details on the list of appointed distributors.

Maybank Asset Management Sdn. Bhd.
(Registration No.: 199701006283 (421779-M))

Level 12, Tower C, Dataran Maybank,
No.1, Jalan Maarof, 59000 Kuala Lumpur, Malaysia
Telephone +603 2297 7888
Facsimile +603 2715 0071
www.maybank-am.com