



**Maybank**

**Asset Management**

# Maybank Global Strategic Equity-I Fund

(constituted on 4 March 2025 and launched on 16 June 2025)

**This Information Memorandum is dated 16 June 2025.**

**Manager:** Maybank Islamic Asset Management Sdn Bhd (Registration No.: 201301012623 (1042461-K))

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

YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS INFORMATION MEMORANDUM AND IF NECESSARY, OBTAIN PROFESSIONAL ADVICE BEFORE SUBSCRIBING TO UNITS OF THE FUND.

UNITS OF THE MAYBANK GLOBAL STRATEGIC EQUITY-I FUND CAN ONLY BE SOLD TO SOPHISTICATED INVESTORS.

**Responsibility Statement**

This Information Memorandum has been seen and approved by the directors of Maybank Islamic Asset Management Sdn Bhd and they collectively and individually accept full responsibility for the accuracy of all information contained herein and confirm, having made all enquiries which are reasonable in the circumstances, that to the best of their knowledge and belief, there are no other facts omitted which would make any statement herein misleading.

**Statements of Disclaimer**

A copy of this Information Memorandum has been lodged with the Securities Commission Malaysia.

**THE SECURITIES COMMISSION MALAYSIA HAS NOT AUTHORISED OR RECOGNISED THE MAYBANK GLOBAL STRATEGIC EQUITY-I FUND AND A COPY OF THIS INFORMATION MEMORANDUM HAS NOT BEEN REGISTERED WITH THE SECURITIES COMMISSION MALAYSIA.**

**THE LODGEMENT OF THIS INFORMATION MEMORANDUM SHOULD NOT BE TAKEN TO INDICATE THAT THE SECURITIES COMMISSION MALAYSIA RECOMMENDS THE MAYBANK GLOBAL STRATEGIC EQUITY-I FUND OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS INFORMATION MEMORANDUM.**

**THE SECURITIES COMMISSION MALAYSIA IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF MAYBANK ISLAMIC ASSET MANAGEMENT SDN BHD RESPONSIBLE FOR THE MAYBANK GLOBAL STRATEGIC EQUITY-I FUND AND TAKES NO RESPONSIBILITY FOR THE CONTENTS IN THIS INFORMATION MEMORANDUM. THE SECURITIES COMMISSION MALAYSIA MAKES NO REPRESENTATION ON THE ACCURACY OR COMPLETENESS OF THIS INFORMATION MEMORANDUM, 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. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR PROFESSIONAL ADVISERS IMMEDIATELY.**

**Additional Statements**

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

The Maybank Global Strategic Equity-I Fund has been certified as Shariah-compliant by the Shariah adviser appointed for the Fund.

The 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 Fund.

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## 1. CORPORATE DIRECTORY

<b>MANAGER</b>	Maybank Islamic Asset Management Sdn Bhd (Registration No.: 201301012623 (1042461-K))
<b>REGISTERED OFFICE</b>	5 <sup>th</sup> Floor, Tower A Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel. No.: 03 - 2297 7870
<b>BUSINESS OFFICE</b>	Level 12, Tower C Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel. No.: 03 - 2297 7888 Fax No.: 03 - 2297 7898
<b>WEBSITE</b>	<a href="https://www.maybank-am.com/web/islamic/">https://www.maybank-am.com/web/islamic/</a>
<b>E-MAIL</b>	<a href="mailto:mamcs@maybank.com.my">mamcs@maybank.com.my</a>
<b>TRUSTEE</b>	TMF Trustees Malaysia Berhad (Registration No.: 200301008392 (610812-W))
<b>REGISTERED OFFICE AND BUSINESS OFFICE</b>	Level 13, Menara 1 Sentrum 201, Jalan Tun Sambanthan Brickfields, 50470 Kuala Lumpur Tel. No.: 03 - 2382 4288 Fax No.: 03 - 2382 4170
<b>WEBSITE</b>	<a href="https://www.tmf-group.com">https://www.tmf-group.com</a>
<b>E-MAIL</b>	<a href="mailto:malaysia@tmf-group.com">malaysia@tmf-group.com</a>
<b>SHARIAH ADVISER</b>	Amanie Advisors Sdn Bhd (Registration No.: 200501007003 (684050-H))
<b>REGISTERED OFFICE</b>	Unit 11-3A, 3 <sup>rd</sup> Mile Square, No. 151, Jalan Klang Lama Batu 3 ½, 58100 Kuala Lumpur
<b>BUSINESS OFFICE</b>	Level 13A-2 Menara Tokio Marine Life 189 Jalan Tun Razak 50400 Kuala Lumpur Tel. No.: 03 - 2161 0260 Fax No.: 03 - 2161 0262
<b>WEBSITE</b>	<a href="https://www.amanieadvisors.com">https://www.amanieadvisors.com</a>
<b>E-MAIL</b>	<a href="mailto:contact@amanieadvisors.com">contact@amanieadvisors.com</a>

## 2. DEFINITIONS

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

ADR(s)	means American Depositary Receipt(s).
Bursa Malaysia	means the stock exchange managed and operated by Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W)).
Business Day	means a day on which Bursa Malaysia is open for trading.
CIS	means collective investment schemes.
Classes	means any class of Units in the Fund representing similar interest in the assets of the Fund and a “Class” means any one class of Units.
CMSA	means the Capital Markets and Services Act 2007, including all amendments thereto and all regulations, rules and guidelines issued in connection therewith.
Commencement Date	means the date the Fund commences its first investments.
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.
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.
FIMM	means the Federation of Investment Managers Malaysia.
Forward Pricing	means the NAV 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 us.
Fund	means the Maybank Global Strategic Equity-I Fund.
GDR(s)	means Global Depositary Receipt(s).
Information Memorandum	means this information memorandum of the Fund.

long term	means a period of more than five (5) years.
LPD	means the latest practicable date as at 31 January 2025.
Manager / we / us / our	means Maybank Islamic Asset Management Sdn Bhd (Registration No.: 201301012623 (1042461-K)).
Maybank	means Malayan Banking Berhad (Registration No.: 196001000142 (3813-K)).
MYR/RM	means Ringgit Malaysia.
MYR (A) Class / MYR (X) Class	represents a class of Units denominated in RM with different rates of management fee and offered to different categories of investors as may be determined by the Manager.
Net Asset Value or NAV	means the value of all the Fund's assets less the value of all the Fund's liabilities at a valuation point; where the Fund has more than one (1) Class, there shall be a Net Asset Value of the Fund attributable to each Class.
NAV per Unit	means the NAV of a Class at a particular valuation point divided by the number of Units in circulation of such Class at the same valuation point.
OTC	means over-the-counter.
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. The Redemption Price shall be exclusive of the redemption charge (if any).
SACBNM	means the Shariah Advisory Council of Bank Negara Malaysia.
SACSC	means the Shariah Advisory Council of the SC.
SC	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. The Selling Price shall be exclusive of the sales charge.
Shariah	means Islamic law comprising the whole body of rulings pertaining to human conducts derived from the sources of Shariah namely the <i>Qur'an</i> (the holy book of Islam); and its practices and explanations rendered by the Prophet Muhammad (peace be upon him) and <i>Ijtihad</i> (exertion of individual efforts to determine the true ruling of the divine laws on matters whose revelations are not explicit) of Shariah scholars.
Shariah Adviser	means Amanie Advisors Sdn Bhd (Registration No.: 200501007003 (684050-H)).

Sophisticated Investor(s)

means:

- (a) a unit trust scheme, private retirement scheme or prescribed investment scheme;
- (b) Bank Negara Malaysia;
- (c) a licensed person or a registered person;
- (d) an exchange holding company, a stock exchange, a derivatives exchange, an approved clearing house, a central depository or a recognized market operator;
- (e) a corporation that is licensed, registered or approved to carry on any regulated activity or capital market services by an authority in Labuan or outside Malaysia which exercises functions corresponding to the functions of the SC;
- (f) a bank licensee or an insurance licensee as defined under the Labuan Financial Services and Securities Act 2010;
- (g) an Islamic bank licensee or a takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010;
- (h) a chief executive officer or a director of any person referred to in paragraphs (c) to (g);
- (i) a closed-end fund approved by the SC;
- (j) a company that is registered as a trust company under the Trust Companies Act 1949 and has assets under its management exceeding RM10 million or its equivalent in foreign currencies;
- (k) a corporation that -
  - (i) is a public company under the Companies Act 2016 which is approved by the SC to be a trustee under the CMSA and has assets under its management, exceeding RM10 million or its equivalent in foreign currencies; or
  - (ii) is carrying on the regulated activity of fund management solely for the benefit of its related corporations and has assets under its management exceeding RM10 million or its equivalent in foreign currencies;
- (l) a corporation with total net assets exceeding RM10 million or its equivalent in foreign currencies based on the last audited accounts;
- (m) a partnership with total net assets exceeding RM10 million or its equivalent in foreign currencies;
- (n) a statutory body established under any law whose function or mandate is investment in capital market products;

- (o) a pension fund approved by the Director General of Inland Revenue under the Income Tax Act 1967;
- (p) an individual -
  - (i) whose total net personal assets exceeding RM3 million or its equivalent in foreign currencies, provided that the net value of the primary residence of the individual contribute not more than RM1 million of the total net assets;
  - (ii) whose total net joint assets with -
    - (a) his or her spouse; or
    - (b) his or her child,
 exceeding RM3 million or its equivalent in foreign currencies, provided that the net value of the primary residence of the individual with his or her spouse or child contribute not more than RM1 million of the total net assets;
  - (iii) who has a gross annual income exceeding RM300,000 or its equivalent in foreign currencies in the preceding twelve months;
  - (iv) who jointly with his or her spouse or child, has a gross annual income exceeding RM400,000 or its equivalent in foreign currencies in the preceding twelve months;
  - (v) whose total net personal investment portfolio or total net joint investment portfolio with his or her spouse or child, in any capital market products exceeding RM1 million or its equivalent in foreign currencies;
  - (vi) who holds any of the following qualifications and has five consecutive years of relevant working experience in finance, economics, actuarial science or accounting-
    - (A) holds a Bachelor's or Master's degree related to Finance, Economics or Actuarial Science;
    - (B) holds a Bachelor's or Master's degree in Accounting; or
    - (C) holds a Master of Business Administration;
  - (vii) who holds the following membership in the associations as set out below:
    - (A) Active Member of Chartered Financial Analyst (CFA) Institute;
    - (B) Chartered Banker of Asian Institute of Chartered Bankers (AICB);
    - (C) Ordinary Member of Financial Markets Association Malaysia (FMAM);
    - (D) Chartered Accountant, C.A(M) of Malaysian Institute of Accountants (MIA);

- (E) Ordinary Member of Malaysia Association of Tax Accountants (MATA);
- (F) Accredited Angel Investor of Malaysian Business Angel Network (MBAN);
- (G) Certified Member of Financial Planning Association of Malaysia (FPAM); or
- (H) Ordinary Member of Malaysian Financial Planning Council (MFPC); or
- (viii) who has five consecutive years of working experience in a capital market intermediary relating to product development, corporate finance, deal advisory, investment management, sales and trading, investment research and advisory, financial analysis, or the provision of training in investment products;
- (q) any person who acquires any capital market product specified under the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework where the consideration is not less than RM250,000 or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise; or
- (r) any other category of investor(s) as may be permitted by the SC from time to time and/or under the relevant guidelines for wholesale funds.

Trustee	means TMF Trustees Malaysia Berhad (Registration No.: 200301008392 (610812-W)).
Unit(s)	means a measurement of the right or interest of a Unit Holder in the Fund and means a unit of the Fund or a Class, as the case may be.
Unit Holder(s) / you	means the person registered as the holder of a Unit or Units including persons jointly registered for a Class. In respect of the Fund, means all the unit holders of every Class in the Fund.
U.S.	means the United States of America.
U.S. (United States) Person(s)	means: <ul style="list-style-type: none"> <li>(a) a U.S. citizen (including those who hold dual citizenship or a greencard holder);</li> <li>(b) a U.S. resident alien for tax purposes;</li> <li>(c) a U.S. partnership;</li> <li>(d) a U.S. corporation;</li> <li>(e) any estate other than a non-U.S. estate;</li> <li>(f) any trust if: <ul style="list-style-type: none"> <li>(i) a court within the U.S. is able to exercise primary supervision over the administration of the trust; and</li> </ul> </li> </ul>

- (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.

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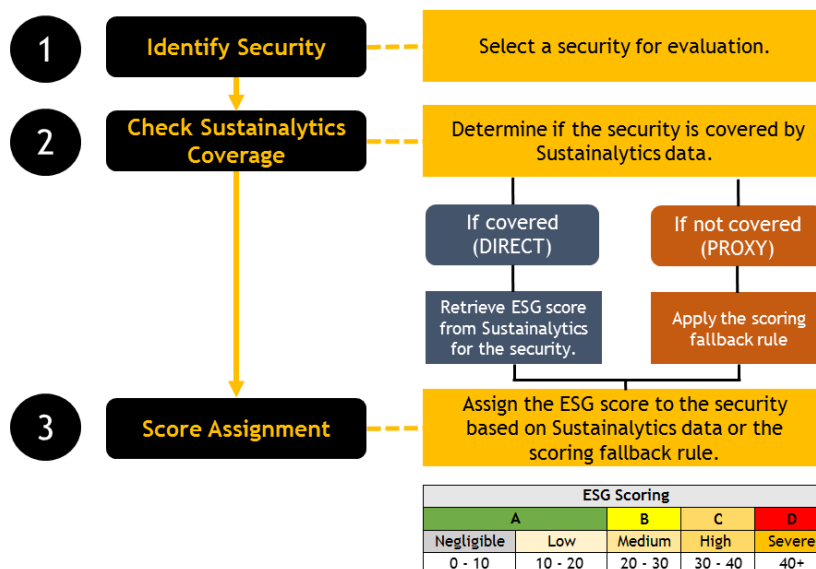
### 3. FUND'S DETAILS

FUND'S DETAILS		
Fund Name	Maybank Global Strategic Equity-I Fund	
Fund Category	Shariah-compliant equity (Wholesale)	
Fund Type	Growth	
Base Currency	MYR	
Financial Year End	28 <sup>th</sup> February (or 29 <sup>th</sup> February in a leap year).	
Initial Offer Period	<p>Up to forty-five (45) days from the launch date of the Fund.</p> <p><i>Note: The initial offer period may be shortened at our discretion if we determine that it is in the best interest of the Unit Holders to commence investment for the Fund, subject to the Trustee's approval.</i></p>	
Class	MYR (A) Class	MYR (X) Class
Initial Offer Price	RM1.00	RM1.00
Commencement Date	The next Business Day after the end of the initial offer period.	
Deed	The deed dated 4 March 2025.	
Investment Objective	<p>The Fund seeks to achieve capital growth over the long term by investing primarily in a portfolio of global Shariah-compliant equities.</p> <p><i>Note: Any material change to the investment objective of the Fund would require Unit Holders' approval.</i></p>	
Investor Profile	<p>The Fund is suitable for Sophisticated Investors who:</p> <ul style="list-style-type: none"> <li>• seek potential long term capital appreciation;</li> <li>• have a long term investment horizon; and</li> <li>• seek exposure to a portfolio of global Shariah-compliant equities and would like to channel their resources to companies that demonstrate socially responsible practices relating to the environment and community.</li> </ul>	
Performance Benchmark	<p>Dow Jones Islamic Market World Index</p> <p><i>Information on Dow Jones Islamic Market World Index can be obtained from <a href="http://www.spglobal.com">www.spglobal.com</a>.</i></p> <p><i>Note: The risk profile of the Fund is different from the risk profile of the performance benchmark.</i></p>	
Asset Allocation	<ul style="list-style-type: none"> <li>➤ Minimum 75% of the Fund's NAV in Shariah-compliant equities and Shariah-compliant equity-related securities<sup>(1)</sup>;</li> <li>➤ Up to 20% of the Fund's NAV in Islamic CIS<sup>(2)</sup>; and</li> <li>➤ Up to 25% of the Fund's NAV in Islamic liquid assets<sup>(3)</sup>.</li> </ul> <p><i>Notes:</i></p>	

FUND'S DETAILS	
	<p><sup>(1)</sup> <i>Shariah-compliant equity-related securities include but are not limited to Shariah-compliant ADRs, Shariah-compliant GDRs and Shariah-compliant warrants.</i></p> <p><sup>(2)</sup> <i>Islamic CIS include but are not limited to Islamic exchange-traded funds ("ETF") that is consistent with the investment objective of the Fund.</i></p> <p><sup>(3)</sup> <i>Islamic liquid assets comprise of Islamic deposits with financial institutions and Islamic money market instruments.</i></p>
Investment Strategy	<p>The Fund seeks to achieve its investment objective by investing a minimum of 75% of its NAV in a diversified portfolio of Shariah-compliant equities and Shariah-compliant equity-related securities (including Shariah-compliant ADRs, Shariah-compliant GDRs and Shariah-compliant warrants) which are globally issued by companies (i) with good growth potential and (ii) which are aligned with the Manager's sustainable principles. The Fund may also invest up to 25% of the Fund's NAV in Islamic liquid assets comprise of Islamic deposits with financial institutions and Islamic money market instruments.</p> <p>The Fund may invest in these investments directly or via Islamic CIS provided that it is consistent with the investment objective of the Fund.</p> <p>The Fund is actively managed to meet the investment objective of the Fund. Our investment approach combines a top-down approach that focuses on macroeconomic factors to decide on strategic asset allocation with a rigorous bottom-up approach to stock selection supported by fundamental analysis comprising quantitative and qualitative analysis on a particular company. Quantitative approach would cover, amongst others, the company's profitability, valuation, gearing and liquidity. Qualitative approach takes into consideration, amongst others, the company's corporate governance, competency of its management as well as competitive advantages.</p> <p>In selecting the investments for the Fund, the Manager will exclude Shariah non-compliant stocks. Thereafter, the Manager will integrate the principles of sustainable investing in its decision-making process which adheres to an exclusion framework, systematically removing certain companies from its investment universe. This includes screening out companies listed on the United Nations Global Compact exclusion list obtained from Morningstar Sustainalytics. Additionally, the Fund actively avoids companies with severe Environmental, Social and Governance ("ESG") scoring as assessed through Morningstar Sustainalytics' ESG scoring. The diagram below displays the ESG scoring methodology in Morningstar Sustainalytics used by us to screen the Fund's investment portfolio.</p>

## FUND'S DETAILS

### SECURITY ESG SCORING



#### Note:

Each security is given an ESG scoring in Morningstar Sustainalytics which can be extracted directly based on each security's ISIN (International Securities Identification Number is a 12-digit alphanumeric code that uniquely identifies a specific security). However, if a security does not possess an ISIN, name or ticker, the scoring fallback rule in the diagram above would apply to ensure a comprehensive coverage of all securities in the ESG scoring process. In such circumstances, the security's ESG scoring will be ascertained via proxy based on Morningstar Sustainalytics' ESG scoring of: (i) its issuer (for bonds), if unavailable or (ii) its ultimate parent company. If they are unavailable, its country's sector score, and if its country's sector score is unavailable, its country's average score.

When any of the stocks contained within the Fund's portfolio has deviated from the Manager's sustainable investing principles, the Manager will undertake several measures once the infringement is publicly known and is incontestable.

In such an event, a deviation report will be issued accompanied with proof of the deviation. A meeting between the Manager and the person(s) or members of a committee undertaking the oversight function of the Fund will be held to assess the nature of the infringement, the frequency of such infringements, and the extent of damage created by the infringement in terms of contingent liabilities. Once the Manager and the person(s) or members of a committee undertaking the oversight function of the Fund reach a consensus, the Manager will perform any of the following actions:

- i. communicate with the company to voice the Manager's concerns;
- ii. reduce the Fund's portfolio holdings in the company; and/or

FUND'S DETAILS	
	<p>iii. remove the company from the Fund's investment portfolio with a classification of the stock as not investable over a period of five (5) years.</p> <p>The duration of the above actions will be a maximum of two (2) years from the date of infringement.</p> <p>If the infringement is serious, the Fund will proceed to directly remove the company's stocks from its portfolio. The maximum timeframe for the company's stocks to be removed is six (6) months from the date of the Manager's decision to remove the company's stocks from the Fund's portfolio.</p> <p>The Fund may use Islamic derivatives such as Islamic currency forwards, Islamic futures and Islamic options to fully or partially hedge the foreign currency exposure of the investments of the Fund and/or Classes (if any) not denominated in the base currency of the Fund. The Fund's exposure to Islamic derivatives, if any, will be calculated based on commitment approach.</p>
<b>Temporary Defensive Position</b>	<p>During volatile market conditions, we will engage in active downside risk management to minimise drawdown. This may involve adopting temporary defensive positions to protect the Fund's investments to respond to adverse market, political or economic conditions by holding up to 100% of the Fund's NAV in Islamic liquid assets that may be inconsistent with the Fund's principal investment strategy and asset allocation.</p>
<b>Permitted Investments</b>	<p>The Fund is permitted to invest in the following:</p> <ul style="list-style-type: none"> <li>• Shariah-compliant securities of companies listed or traded under the Eligible Markets;</li> <li>• Shariah-compliant equities that have been approved by the relevant regulatory authorities for the listing of and quotation, and are offered directly to the Fund by the issuer;</li> <li>• Shariah-compliant equity-related securities;</li> <li>• Islamic money market instruments;</li> <li>• Islamic deposits with financial institutions;</li> <li>• units or shares in Islamic CIS; and</li> <li>• Islamic derivatives (for hedging purposes).</li> </ul>
<b>Distribution Policy</b>	Incidental.
<b>Mode of Distribution</b>	<p>You may elect to either receive income payment via cash payment mode or reinvestment mode.</p> <p>If you did not elect the mode of distribution, all income distribution will be automatically reinvested into additional Units in the Fund.</p> <p>Unit Holders who elect to receive income payment via cash payment mode may receive the income payment by way of electronic payment into the Unit Holders' bank account on the income payment date (which is within seven (7) Business Days from the Ex-distribution Date). All bank charges for the electronic payment will be borne by the Unit Holders. The</p>

FUND'S DETAILS	
	<p>transfer charges will be deducted directly from the transferred amount before being paid to the Unit Holders' bank account.</p> <p><i>Notes:</i></p> <p>(1) <i>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. If the Unit Holders no longer hold any Units of the Fund, we will deal with the unclaimed income distribution in accordance with the requirements of the Unclaimed Moneys Act, 1965 (as amended by the Unclaimed Moneys (Amendment) Act 2024).</i></p> <p>(2) <i>If you are investing in the Fund through our distributors, you will be subject to the applicable mode of distribution (i.e. cash payment or reinvestment or both) which has been chosen by our distributors. Please check with the respective distributors for the mode of distribution available to you.</i></p>
<b>Reinvestment Policy</b>	<p>If you elect to reinvest the income distribution in additional Units, we will create the Units based on the NAV per Unit* on the income reinvestment date (which is within seven (7) Business Days from the Ex-distribution Date).</p> <p>* There will be no cost to Unit Holders for reinvestments in new additional Units.</p>
<b>Communication with Unit Holders</b>	<p><b>Official Receipt and Statement of Investment</b></p> <p>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. A computer generated statement will also be issued on a monthly basis 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 or her transactions, as well as to provide the Unit Holder with an updated record of his or her investment account(s) with us.</p> <p><b>Unit Price</b></p> <p>We will publish the Fund's NAV per Unit on our website, <a href="http://www.maybank-am.com/web/islamic/">www.maybank-am.com/web/islamic/</a> on the next Business Day.</p> <p><b>Financial Reports</b></p> <p>We will provide Unit Holders with a quarterly report and an audited annual report within two (2) months after the close of the quarterly period or financial year end.</p>
<b>Cross Trade Policy</b>	<p>We may conduct cross trades between funds that we are currently managing provided that the requirements of the applicable laws are complied with. Cross trades undertaken shall be in the best interest of the Fund's rebalancing purposes and are transacted through a broker, dealer or a financial</p>

FUND'S DETAILS	
	institution at an arm's length and fair value basis. All cross trades will be identified in the monthly trades reports.
Shariah Investment Guidelines	<p><b>Shariah Investment Guidelines</b></p> <p>The following are the Shariah Investment Guidelines for the Fund, which the 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, the relevant Shariah advisory board and the Shariah Adviser.</p> <p><b>A. Investments</b></p> <p><b>1. Investment in Malaysia</b></p> <p><b><u>Shariah-compliant Equity:</u></b></p> <p>The Fund will invest in listed Shariah-compliant equities based on a list of Shariah-compliant equities issued by the SACSC.</p> <p>For local initial public offering ("IPO") the Fund will invest in IPO classified as Shariah-compliant by the SACSC.</p> <p><b><u>Unlisted Shariah-compliant Equities:</u></b></p> <p>The Fund will invest in unlisted Shariah-compliant equities.</p> <p>Subject to the type of the unlisted Shariah-compliant equities, the Shariah Adviser will assess the Shariah-compliance of:</p> <ul style="list-style-type: none"> <li>• the structure and mechanism of the unlisted Shariah-compliant equities; and/or</li> <li>• the underlying business of the entity issuing the unlisted Shariah-compliant equities.</li> </ul> <p>The structure and mechanism of the unlisted Shariah-compliant equities is assessed by way of scrutinising all relevant documents detailing the unlisted Shariah-compliant equities itself.</p> <p>The underlying business of the entity issuing the unlisted Shariah-compliant equities is assessed by way of applying the prevailing Shariah-compliant equities screening methodology adopted by the SACSC as published in <a href="http://www.sc.com.my">www.sc.com.my</a> on the issuing entity.</p> <p>Unlisted Shariah-compliant equities endorsed by other Shariah advisers or committees must be approved by the Shariah Adviser upon review of the relevant documents (Shariah pronouncements/ approvals, principal terms and conditions, etc).</p>

## FUND'S DETAILS

### 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.

Any foreign securities (including unlisted Shariah-compliant equities) 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) Sector-Based Screens

Revenues from Shariah non-compliant activities are tolerated, provided that the revenues comply with the following:

Non-permissible revenue\* to the total revenue is less than 5%.

\*Non-permissible revenue includes all forms of revenue or income from non-permissible business activities (e.g., alcohol sales, entertainment revenue, etc.) and forms of interest income.

#### Shariah non-compliant activities

- Alcohol (brewers, distillers & vintners, packagers, transporters, sellers and resellers);
- Tobacco and electronic cigarettes;
- Recreational cannabis products;
- Pork-related products (food products, food retailers & wholesalers, hotels, restaurants & bar);
- Conventional financial services (banking, insurance, investment services, insurance brokers, mortgage finance, etc). Financial institutions which are transitioning to being fully Islamic are also considered as Shariah-compliant if they satisfy the criteria below:
  - a. the financial institution must have a decision from its board of directors to convert to being fully Islamic;
  - b. the financial institution has an independent Shariah supervision mechanism throughout the transition period;
  - c. the Shariah supervisor after reviewing and approving the conversion road map has given an approval for investment in the financial institution's shares; and

## FUND'S DETAILS

d. any new product issued by the financial institution should be approved by the Shariah supervisor;

- Weapons and defense (defense industries, manufacturers of weapons, contractors, suppliers of offensive components and systems); and
- Entertainment (hotels, casinos/gambling, cinema, pornography, music, etc).

### **(2) Accounting-Based Leverage Compliance Screens**

After removing companies with unacceptable primary business activities, the remaining stocks are evaluated according to the Leverage Compliance financial ratio filter. The Leverage Compliance filter is to remove companies with unacceptable levels of debt such that total interest-bearing debt divided by trailing 24-month average market capitalization must be less than 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. Shariah-compliant Equity-related Securities**

The Fund will invest in Shariah-compliant equity-related securities as approved by the SACSC, the Shariah Adviser and/or the Shariah boards of the relevant Shariah indices recognized internationally.

### **4. 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.

### **5. Islamic money market instruments**

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

- Bond Pricing Agency Malaysia (<https://www.bpam.com.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.

### **6. Investment in Islamic Deposits**

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

## FUND'S DETAILS

### 7. Islamic Derivatives

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

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 Information Memorandum 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 Dow Jones screening methodology and should be disposed according to the same methodology of Dow Jones. 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 interest received before or after the disposal of the investment, such gains will be channelled to *Baitulmal* and/or any other charitable bodies as advised by the Shariah Adviser. The Fund has the right to retain only the investment cost.

#### Reclassification of Shariah status of the Fund's investment

If securities are reclassified as Shariah non-compliant by the SACSC and/or the relevant Shariah adviser of the Islamic indices 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 day of the effective date of the reclassification of the securities ("Effective Date")

FUND'S DETAILS	
	<p>and capital gains arising from the disposal of the Shariah non-compliant securities on the Effective Date can be kept by the Fund. However, any dividend received and excess capital gains derived from the disposal of the Shariah non-compliant securities after the Effective Date at a market price that is higher than the closing price on the Effective Date should be channelled to <i>Baitulmal</i> and/or charitable bodies as advised by the Shariah Adviser.</p> <p>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.</p> <p><b>C. Payment of Zakat</b></p> <p>This refers to the purification by way of payment of zakat by Muslims. The Fund does not pay zakat on behalf of Muslim Unit Holders. Thus, Muslim Unit Holders are advised to pay zakat on their own.</p> <p>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.</p>

#### 4. FEES AND CHARGES

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

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

The actual annual management fee and annual trustee fee are available on our website at <https://www.maybank-am.com/web/islamic/list-of-funds> under the "View Fund" section for each Class of the Fund.

**Note:** All fees, charges and expenses stated herein are exclusive of any applicable tax which may be imposed by the government or the relevant authority. You and/or the Fund (as the case may be) are responsible to pay the applicable amount of tax, if any, in addition to the fees, charges and expenses stated herein.

FEES AND CHARGES		
Sales Charge	MYR (A) Class	MYR (X) Class

FEES AND CHARGES		
	Up to 5.00% of the NAV per Unit	
Redemption Charge	Nil.	
Switching Fee	MYR (A) Class	MYR (X) Class
	RM10.00 per switch	RM10.00 per switch
	<p><i>Notes:</i></p> <p>(1) We reserve the right to waive the switching fee at our absolute discretion.</p> <p>(2) In addition to the switching fee, you 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.</p>	
Transfer Fee	MYR (A) Class	MYR (X) Class
	RM10.00 per transfer	RM10.00 per transfer
	<p><i>Notes:</i></p> <p>(1) We reserve the right to waive the transfer fee at our absolute discretion.</p> <p>(2) We reserve the right to decline any transfer request if such transfer will expose us to any liability and/or will contravene any law or regulatory requirements, whether or not having the force of law.</p>	
Annual Management Fee	MYR (A) Class	MYR (X) Class
	Up to 0.70% per annum of the NAV of the Class	Up to 0.50% per annum of the NAV of the Class
	<p>calculated and accrued daily, and payable monthly to us.</p> <p><i>Note: In the event of a leap year, the computation will be based on 366 days.</i></p>	
Annual Trustee Fee	<p>0.06% per annum of the NAV of the Fund (excluding foreign custodian fees and charges), calculated and accrued daily and payable monthly to the Trustee.</p> <p><i>Note: In the event of a leap year, the computation will be based on 366 days.</i></p>	
Fund Expenses	<p>Only fees and expenses that are directly related and necessary to the operation and administration of the Fund or a Class may be charged to the Fund or a Class.</p>	

## 5. TRANSACTION DETAILS

TRANSACTION DETAILS		
Minimum Initial Investment <sup>^</sup>	MYR (A) Class	MYR (X) Class
	RM1,000	RM250,000
Minimum Additional Investment <sup>^</sup>	MYR (A) Class	MYR (X) Class
	RM500	RM10,000
Minimum Unit Holdings <sup>^</sup>	MYR (A) Class	MYR (X) Class
	1,000 Units	100,000 Units
<sup>^</sup> or such other lower amount or number of Units (as the case may be) as may be decided by us from time to time. <b>Notes:</b> (1) We reserve the right to determine the category of investors who may be permitted to invest in MYR (X) Class and such category of investors may be updated by us from time to time. Hence, we may reject any subscription request/application to invest in MYR (X) Class from investor who does not meet our requirements. (2) Our distributors may set a lower minimum initial and/or additional investment than the above for investments made via the distributors subject to their terms and conditions for investment.		
Minimum Redemption of Units	None, provided the minimum Unit holdings requirement is met.  If a Unit Holder's Unit holdings, after a redemption request, are below the minimum Unit holdings for the Fund, full redemption will be initiated.	
Transfer Facility	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.	
Switching Facility	Unit Holders are permitted to switch from and to other funds managed by us provided that both funds are denominated in the same currency. Switching is treated as a withdrawal from one (1) fund and an investment into another fund. Switching will be made at the prevailing NAV per Unit of the Class to be switched from on a Business Day when the switching request is received and accepted by us, subject to the 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, you must meet the minimum Unit holdings (after the switch) of the Class that you intend to switch from unless you are redeeming all your investments from the Class.  Unit Holders who switch from a fund with a lower sales charge to a fund with a higher sales charge need to pay the difference	

TRANSACTION DETAILS	
	<p>in sales charge between the sales charge of these two (2) funds in addition to the switching fee. Unit Holders who switch from a fund with higher sales charge to a fund with a lower sales charge do not need to pay the difference in sales charge between these funds.</p> <p>We reserve the right to vary the terms and conditions for switching from time to time, which shall be communicated to you in writing.</p> <p>However, switching from an Islamic fund to a conventional fund is discouraged especially for Muslim Unit Holders.</p> <p><i>Note: Our distributors may set an earlier cut-off time for receiving applications in respect of switching of Units. Please check with the respective distributors for their respective cut-off time.</i></p>
<b>Cooling-off Right</b>	Cooling-off right is not applicable for the Fund.
<b>Dealing Cut-Off Time for Subscription, Redemption and Switching of Units</b>	<p>The dealing cut-off time shall be at <b>4.00 p.m.</b> on a Business Day.</p> <p>Any application 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.</p> <p><i>Note: Our 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.</i></p>
<b>Subscription of Units</b>	<p>Subscription request/application can be made on any <b>Business Day</b>. There is no restriction on the frequency of subscription.</p> <p>For any subscription request/application received via e-mail notification (or by fax, if e-mail is down) by us as well as cleared funds (unless any prior arrangement is made with us) received on or before the cut-off time of 4.00 p.m. on a Business Day, the Units will be created based on the NAV per Unit as at the next valuation point after the applicable subscription of Units is received and accepted by us. Any subscription request/application received or deemed to have been received by us after this cut-off time would be considered as being transacted on the next Business Day.</p> <p><i>Note: Our distributors may set an earlier cut-off time for receiving requests/applications in respect of subscription of Units. Please check with the respective distributors for their respective cut-off time.</i></p>
<b>Redemption of Units and Payment of Redemption Proceeds</b>	<p>Redemption request/application can be made on any <b>Business Day</b>. There is no restriction on the frequency of redemption.</p> <p>For any redemption request/application received or deemed to have been received via e-mail notification (or by fax, if e-mail is down) by us on or before the cut-off time of 4.00 p.m. on any Business Day, the Units will be processed on the same Business</p>

TRANSACTION DETAILS	
	<p>Day based on the NAV per Unit as at the next valuation point after the request for redemption of Units is received by us.</p> <p>Any redemption request/application received or deemed to have been received by us after the cut-off time of 4.00 p.m. on any Business Day will be treated as having been received on the next Business Day and will be processed on the next Business Day.</p> <p>If a Unit Holder's Unit holdings, after a redemption request, are below the minimum Unit holdings for the Fund, full redemption will be initiated.</p> <p>Unit Holders shall be paid within seven (7) Business Days from the date the redemption request is received by the Manager and provided that all documentations are complete and verifiable.</p> <p>Transaction costs such as charges for electronic payments, if any, will be borne by the Unit Holders and set-off against the redemption proceeds.</p> <p>We shall remit the redemption proceeds to the bank account held in the name of the Unit Holder(s).</p> <p><i>Note: Our distributors may set an earlier cut-off time for receiving requests/applications in respect of redemption of Units. Please check with the respective distributors for their respective cut-off time.</i></p>
<p>For both applications for and redemption of Units, we shall not be held responsible for any delay or loss incurred in the event of:</p> <ul style="list-style-type: none"> <li>• Real Time Electronic Transfer of Funds and Securities (RENTAS) experiencing problems;</li> <li>• Any remittance of funds that does not correspond with the request promptly;</li> <li>• Inaccurate details (including but not limited to identity card number and account number) provided by Unit Holders; or</li> <li>• Circumstances beyond our control or the Trustee's control.</li> </ul>	
<b>Suspension of Dealing in Units</b>	<p>We 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.</p> <p>We 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 we satisfy 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.</p> <p>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. In such cases, Unit Holders will be compelled to remain invested in the Fund for a longer period of time than the stipulated</p>

TRANSACTION DETAILS	
	<p>redemption timeline. Hence, their investments will continue to be subjected to the risk factors inherent to the Fund.</p> <p>Where such suspension is triggered, we will inform all Unit Holders in a timely and appropriate manner of our decision to suspend the dealing in Units.</p>

## 6. RISKS RELATING TO THE FUND

It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not always possible to protect your investment against all risks. The various asset classes generally exhibit different levels of risks. Please note that the returns of the Fund are not guaranteed.

The investments of the Fund carry risks and we recommend that you read the entire Information Memorandum to assess the risks of the Fund.

Investors are reminded that the list of risks below 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.

### 6.1 General Risks of Investing in the Fund

GENERAL RISKS	
<b>Market Risk</b>	The value of an investment will decrease or increase due to changes in market factors i.e., economic, political or other events that impact large portions of the market. Market risk cannot be eliminated; hence, the Fund's investment portfolio may be prone to changing market conditions that may result in uncertainties and fluctuations in the value of the underlying investment portfolio of the Fund, causing the NAV or prices of Units to fluctuate.
<b>Inflation Risk</b>	This is the risk that Unit Holders' investment in the Fund may not grow or generate returns at a rate that keeps pace with inflation. This would reduce Unit Holders' purchasing power even though the value of the investment in monetary terms has increased.
<b>Liquidity Risk</b>	<p>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.</p> <p>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 request.</p>

GENERAL RISKS	
<b>Non-Compliance Risk</b>	This risk refers to the possibility that we may not follow the provisions set out in this Information Memorandum 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. We aim 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 fund regulations or guidelines.
<b>Financing Risk</b>	This risk occurs when Unit Holders 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 investor's 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.
<b>Performance Risk</b>	Unit Holders should take note that by investing in the Fund, there is no guarantee of any returns, i.e., income distribution or capital appreciation. Unlike fixed deposits placed directly by the investors into any financial institution which carry a specific rate of return, the Fund does not provide a fixed rate of return.
<b>Manager's Risk</b>	This risk refers to our day-to-day management of the Fund which will impact the performance of the Fund. For example, investment decisions undertaken by us, as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the Deed, relevant law or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the performance of the Fund. In order to mitigate this risk, the implementation of internal controls and a structured investment process and operational procedures has been put in place by us.
<b>Suspension of Redemption Risk</b>	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 5 of this Information Memorandum for more information on suspension of redemption of Units.

## 6.2 Specific Risks of the Fund

SPECIFIC RISKS	
<b>Stock Specific Risk</b>	Prices of a particular Shariah-compliant stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect the Fund's NAV.
<b>Shariah-compliant Equity-related Securities Risk</b>	<p>The Fund may invest in Shariah-compliant equity-related securities equivalent to shares such as Shariah-compliant warrants. The price of Shariah-compliant warrants is typically linked to the underlying stocks. However, the price and performance of such Shariah-compliant warrants will generally fluctuate more than the underlying stocks because of the greater volatility of the warrants market. Generally, as the Shariah-compliant warrants have a limited life, they will depreciate in value as they approach their maturity date, assuming that all other factors remain unchanged. Shariah-compliant warrants that are not exercised at maturity will become worthless and will negatively affect the NAV of the Fund.</p> <p>The Fund's investment in Shariah-compliant ADRs and Shariah-compliant GDRs are also subject to the same risks as the equity shares of companies they are issued for and will fluctuate in value due to market, economic, political and other factors. Shariah-compliant ADRs and Shariah-compliant GDRs are exposed to counterparty risks in the handling of the depositary receipts, may have differing accounting regimes from underlying assets, additional regulatory scrutiny, and may face unequal voting rights or economic interests relative to their underlying shares. The prices of Shariah-compliant ADRs and Shariah-compliant GDRs may diverge from the price of their underlying shares. Any adverse price movements of such Shariah-compliant ADRs and Shariah-compliant GDRs will adversely affect the Fund's NAV.</p>
<b>Currency Risk</b>	As the investments of the Fund may be denominated in currencies other than the base currency (i.e MYR), any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. Investors should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the Fund in the base currency and vice versa. Investors should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.
<b>Country Risk</b>	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

SPECIFIC RISKS	
	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.
<b>Credit and Default Risk</b>	<p>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.</p> <p>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.</p>
<b>Profit Rate Risk</b>	<p>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.</p> <p>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.</p>
<b>OTC Counterparty Risk</b>	OTC counterparty risk is the risk associated with the other party to an OTC Islamic derivative transaction not meeting its obligations. If the counterparty to the OTC Islamic derivative transaction is unable to meet or otherwise defaults on its obligations (for example, due to bankruptcy or other financial difficulties), the Fund may be exposed to significant losses greater than the cost of the Islamic derivatives. The risk of default of a counterparty is directly linked to the creditworthiness of that counterparty. Should there be a downgrade in the credit rating of the OTC Islamic derivatives'

SPECIFIC RISKS	
	<p>counterparty, we will take the necessary steps, which may include but not limited to evaluating the situation, reassessing the creditworthiness of the counterparty or disposing the Islamic derivative with that counterparty, to rectify the non-compliance within six (6) months or sooner and taking into consideration the best interest of the Fund.</p>
<b>Risk Associated with Investment in Islamic CIS</b>	<p>Investing in Islamic CIS may be more costly to the Fund than if the Fund had invested in the underlying investments directly as the Fund will indirectly be paying the fees and expenses of the Islamic CIS in addition to the Fund's direct fees and expenses. Investing in other Islamic CIS may subject the Fund to the risk that (i) the valuations of the Fund may not reflect the true value of the underlying Islamic CIS at a specific time which could result in significant losses or inaccurate pricing for the Fund and/or (ii) the valuation of the underlying Islamic CIS may not be available as at the relevant valuation point for the Fund. The Fund's investments in Islamic CIS may also subject the Fund to additional risks (such as risk associated with the investment manager of the Islamic CIS) than if the Fund would have invested directly in the underlying investments of the Islamic CIS. The risk associated with the investment manager of the Islamic CIS includes but are not limited to the risk of non-adherence to the investment objective, strategy and policies of the Islamic CIS, the risk of direct or indirect losses resulting from inadequate or failed operational and administrative processes and systems of the investment manager of the Islamic CIS, and the risk that the Islamic CIS may underperform due to poor investment decisions by the investment manager of the Islamic CIS.</p> <p>Islamic ETFs are Islamic CIS designed to track a particular commodity, index or portfolio of Shariah-compliant securities, and are listed on a stock exchange. The following are the key risks of investing in Islamic ETFs:</p> <ul style="list-style-type: none"> <li>• <b>Tracking Error</b> Islamic ETFs are in general, designed to track or replicate the performance of a particular index. However, exact replication may not be possible owing to factors such as: <ul style="list-style-type: none"> <li>i) fees and expenses of the Islamic ETF;</li> <li>ii) foreign exchange movements;</li> <li>iii) the Islamic ETF may not have been construed to be exactly the same as the index, thus resulting in differences between the weighting of Shariah-compliant securities in the index and the Islamic ETF. This is due to the fact that certain Shariah-compliant securities in the index may have been omitted from the Islamic ETF's holdings or Shariah-compliant securities not in the index may be included in the Islamic ETF. Consequently, there is some divergence between the return of the Islamic ETF and the index; and</li> <li>iv) corporate actions such as right issues.</li> </ul> </li> <li>• <b>Islamic ETFs Trading at a Premium or Discount</b></li> </ul>

SPECIFIC RISKS	
	<p>While the net asset value of the Islamic ETF is a key factor influencing the price of the Islamic ETF, it is also determined by the investors' supply and demand on the secondary market. Thus, an Islamic ETF may be traded on the secondary market at a price that is at a discount or a premium to the net asset value of the Islamic ETF portfolio. This discrepancy may be accentuated in uncertain or volatile financial/economic conditions.</p> <p>Any adverse price movement of such Islamic CIS will adversely affect the Fund's NAV.</p>
<b>Islamic Derivatives Risk</b>	<p>Islamic derivatives, if any, will only be used for the purpose of hedging the Fund's portfolio from certain anticipated losses such as those resulting from unfavourable exchange rate movements. However, every hedge comes with a cost. In a move to mitigate the risk of uncertainty, the Fund is now exposed to the risk of opportunity loss. Once hedged, the Fund cannot take full advantage of favourable exchange rate movements. If the exposure which the Fund is hedging against makes money, the act of hedging would have typically reduced the potential returns of the Fund. On the other hand, if the exposure which the Fund is hedging against loses money, the act of hedging would have reduced the loss, if successfully hedged.</p>
<b>Reclassification of Shariah Status Risk</b>	<p>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" above for details on the treatment of gains and losses as a result of the reclassification of Shariah non-compliant equities.</p>
<b>Shariah Non-Compliance Risk</b>	<p>This is the risk of the Fund not conforming to Shariah Investment Guidelines. We would be responsible for ensuring that the Fund is managed and administered in accordance with the Shariah Investment Guidelines. As the Fund can only invest in Shariah-compliant investments, non-compliance may adversely affect the NAV of the Fund when the rectification of such non-compliance results in losses.</p>

### 6.3 Risk Management Strategy

RISK MANAGEMENT STRATEGY	
<b>Risk Management Strategy and Technique</b>	<p>Risk management is an integral part of our investment management process. In order to ensure that the Fund is</p>

	<p>managed in accordance with the relevant 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 us to ensure that the Fund's investment objective is met.</p> <p><b><u>Liquidity Risk Management</u></b></p> <p>In managing the Fund's liquidity, we will:</p> <ul style="list-style-type: none"> <li>(a) monitor the Fund's net flows against redemption requests during normal and adverse market conditions to manage the liquidity of the Fund in meeting redemption requests from Unit Holders. Redemption coverage ratio is one of our key risk indicators whereby liquidity risk is monitored based on historical redemption patterns and scenarios, allowing the Fund to proactively identify and mitigate liquidity risk; and/or</li> <li>(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.</li> </ul> <p>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 5 of this Information Memorandum for more information on suspension of dealing in Units.</p>
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## 7. PRICING POLICY

PRICING POLICY	
<b>Single Pricing Regime</b>	<p>We adopt 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). You would therefore purchase and redeem Units at NAV per Unit. The Selling Price and Redemption Price are based on Forward Pricing.</p>
<b>Selling Price</b>	<p>The Selling Price of a Unit of a Class is the NAV per Unit at the next valuation point after the request to purchase Units is received by us (Forward Pricing). The sales charge applicable to the Class is payable by you in addition to the Selling Price for the Units purchased.</p> <p><b><u>Calculation of Selling Price</u></b></p> <p><b>Illustration - Sale of Units</b></p> <p><b>Example:</b></p> <p>If you wish to invest RM100,000.00 in MYR (A) Class before 4.00 p.m. on any Business Day, and if the sales charge is 5.0% of the</p>

PRICING POLICY	
	<p>NAV per Unit, the total amount to be paid by you and the number of Units issued to you will be as follows:</p> <p>Assuming that the NAV per Unit for MYR (A) Class at the end of a Business Day = RM1.0000.</p> $\begin{aligned} \text{Sales charge incurred} &= \frac{\text{Investment amount}}{1 + \text{sales charge (\%)}} \times \text{sales charge (\%)} \\ &= \frac{\text{RM100,000.00}}{1 + 5.0\%} \times 5.0\% \\ &= \text{RM4,761.90} \end{aligned}$ $\begin{aligned} \text{Net investment amount} &= \text{Investment amount} - \text{sales charge} \\ &= \text{RM100,000.00} - \text{RM4,761.90} \\ &= \text{RM95,238.10} \end{aligned}$ $\begin{aligned} \text{Units credited to investor} &= \text{Net investment amount} / \text{NAV per Unit} \\ &= \text{RM95,238.10} / \text{RM1.0000} \\ &= 95,238.10 \text{ Units} \end{aligned}$
Redemption Price	<p>The Redemption Price of a Unit of a Class is the NAV per Unit at the next valuation point after the redemption request is received by us (Forward Pricing).</p> <p><u>Calculation of Redemption Price</u></p> <p><b>Illustration - Redemption of Units</b></p> <p><b>Example:</b></p> <p>If you wish to redeem 10,000.00 Units from MYR (A) Class before 4.00 p.m. on any Business Day and if no redemption charge is imposed, the total amount to be paid to you and the number of Units redeemed by you will be as follows:</p> <p>Assuming that the NAV per Unit for MYR (A) Class at the end of a Business Day = RM1.0000</p> <p>Redemption charge payable by you = 0% x RM1.0000 x 10,000 Units = RM0.00</p> <p>The total amount to be paid to you will be:</p> <p>= the number of Units to be redeemed multiplied with the NAV per Unit less redemption charge</p> <p>= [10,000.00 Units x RM1.0000] - RM0.00</p> <p>= <b><u>RM10,000.00</u></b></p> <p>Therefore, you will receive <b><u>RM10,000.00</u></b> as redemption proceeds.</p>
Incorrect Pricing	<p>We shall ensure that the Fund and the Units of the Class 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:</p> <p>(i) by us to the Fund; or</p>

PRICING POLICY	
	<p>(ii) by the Fund to you and/or to former Unit Holders.</p> <p>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.</p>

## 8. VALUATION POLICY AND VALUATION BASIS

VALUATION POLICY AND VALUATION BASIS	
<b>Valuation Point</b>	<p>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.</p> <p>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).</p>
<b>Valuation of Investment</b>	<p>The valuation bases of the permitted investments of the Fund are as follows:</p> <p><u>Listed Shariah-compliant securities (including listed Islamic CIS)</u></p> <p>Listed Shariah-compliant securities will be valued daily based on the primary exchange last done market price or such other basis as may be prescribed by the relevant laws from time to time including approved accounting standards.</p> <p>However, if:-</p> <ul style="list-style-type: none"> <li>(a) a valuation based on the market price does not represent the fair value of the listed Shariah-compliant securities, for example during abnormal market conditions; or</li> <li>(b) no market price is available, including in the event of a suspension in the quotation of listed Shariah-compliant securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee,</li> </ul> <p>then the listed Shariah-compliant securities would be valued at fair value, as determined in good faith by us based on the methods or bases approved by the Trustee after appropriate technical consultation.</p> <p><u>Islamic money market instruments</u></p> <p>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 twenty (20) basis points, we may use the market price provided that we:</p> <ul style="list-style-type: none"> <li>(a) record our basis for using a non-BPA price;</li> <li>(b) obtain the necessary internal approvals to use the non-BPA price; and</li> </ul>

## VALUATION POLICY AND VALUATION BASIS

- (c) keep an audit trail of all decisions and basis for adopting the market yield.

Investments in foreign Islamic money market instruments will be valued by reference to the market prices quoted by a recognized service provider, i.e. Bloomberg, or such other basis as may be prescribed by the relevant laws from time to time including approved accounting standards.

For investments in Islamic money market instruments with remaining term to maturity of not more than ninety (90) days at the time of acquisition, such instruments are valued each day based on the accretion of discount or amortised cost of premium on a yield to maturity basis. The risk of using amortised cost method 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%.

### Islamic deposits

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

### Unlisted Islamic CIS

Investment in unlisted Islamic CIS will be valued based on the last published repurchase price.

### Islamic derivatives

Islamic derivative positions will be valued daily at fair value, as determined in good faith by us based on methods or bases which have been verified by the auditor and approved by the Trustee.

### Foreign Exchange Rate

Where the value of an asset of the Fund is denominated in a foreign currency (if any), the assets are translated on a daily basis to MYR using the bid foreign exchange rate quoted by either Reuters or Bloomberg, at United Kingdom time 4.00 p.m. which is equivalent to 11.00 p.m. or 12.00 midnight (Malaysia time) on the same day, or such other time as prescribed from time to time by FIMM or any relevant laws.

For Islamic foreign exchange forward contracts ("FX Forwards"), valuation shall be based on foreign exchange ("FX") spot bid foreign exchange rate and forward ticks bid rate quoted by either Reuters or Bloomberg, at United Kingdom time 4.00 p.m. which is equivalent to 11.00 p.m. or 12.00 midnight (Malaysia time) on the same day. If the rates are not available, the FX Forwards will be valued by reference to the average indicative rate quoted by at least three (3) independent dealers; or in accordance to fair value as determined in good faith by us on methods or bases which have

VALUATION POLICY AND VALUATION BASIS	
	been verified by the auditor of the Fund and approved by the Trustee.

*[The remainder of this page is intentionally left blank]*

### Computation of NAV and NAV per Unit

The NAV of the Fund is determined by deducting the value of the Fund's liabilities from the value of the Fund's assets at a valuation point.

Please note that the example below is for illustration only:

		Fund (RM)	MYR (A) Class (RM)	MYR (X) Class (RM)
	Value of the Fund	101,500,000		
Add:	Other assets (including cash & income)	200,000		
Less:	Liabilities	100,000		
	NAV of the Fund before deducting management fee and trustee fee for the day	101,600,000		
	<b>Multi class ratio<sup>^</sup></b>	100%	80%	20%
	NAV of the Class before deducting management fee and trustee fee for the day		81,280,000	20,320,000
Less:	Management fee for the day		(81,280,000 x 0.70% / 365 days)	(20,320,000 x 0.50% / 365 days)
		1,837.15	1,558.79	278.36
Less:	Trustee fee for the day		(81,280,000 x 0.06% / 365 days)	(20,320,000 x 0.06% / 365 days)
		167.01	133.61	33.40
	Total NAV (RM)	101,597,995.84	81,278,307.60	20,319,688.24

<sup>^</sup>Multi class ratio is apportioned based on the size of the Class relative to the whole Fund. This means the multi class ratio is calculated by taking the value of a Class for a particular day and dividing it with the value of the Fund for that same day. This apportionment is expressed as a ratio and calculated as a percentage.

The NAV per Unit of a Class is calculated by dividing the NAV of the Fund attributable to the Class by the number of Units in circulation of that Class 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 a Class shall therefore be calculated as follows:

		Fund (RM)	MYR (A) Class (RM)	MYR (X) Class (RM)
	NAV	101,597,995.84	81,278,307.60	20,319,688.24
Divide:	Units in circulation	100,000,000	80,000,000	20,000,000
	NAV per Unit of the Class (RM)		1.0160*	1.0160*

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

## 9. PARTIES TO THE FUND

PARTIES TO THE FUND	
<b>The Manager</b>	Our corporate information is available on our website at <a href="https://www.maybank-am.com/web/islamic/corporate-profile">https://www.maybank-am.com/web/islamic/corporate-profile</a> .
<b>Our Role as the Manager</b>	<p>We are responsible for the day-to-day management of the Fund in accordance with, amongst others, the provisions of the Deed, the CMSA, the relevant SC's guidelines and our internal policies and for the development and implementation of appropriate investment strategies. The main tasks performed by us include:</p> <ul style="list-style-type: none"> <li>(a) selecting and managing investments of the Fund;</li> <li>(b) executing, supervising and valuing investments of the Fund;</li> <li>(c) conducting the sale and redemption of Units in the Fund;</li> <li>(d) issuing reports on the Fund's performance;</li> <li>(e) distributing income to Unit Holders; and</li> <li>(f) keeping proper records of the Fund.</li> </ul>
<b>Our Investment Team</b>	Our investment team formulates, establishes and implements investment strategies and policies. The investment team will review and monitor the success of these strategies and policies using predetermined benchmarks towards achieving a proper performance for the Fund. The investment team will also ensure investment guidelines and regulations are complied with. The investment team will meet at least once a month or more should the need arise.
<b>Designated Fund Manager</b>	<p>Muhammad Riduan bin Jasmi</p> <p>Muhammad Riduan bin Jasmi is the Chief Investment Officer of MIAM and his profile is available at <a href="https://www.maybank-am.com/web/islamic/our-people">https://www.maybank-am.com/web/islamic/our-people</a>.</p>
<b>The Trustee</b>	TMF Trustees Malaysia Berhad

<b>PARTIES TO THE FUND</b>	
<b>Duties and Responsibilities of the Trustee</b>	<p>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 performing these functions, the Trustee has to exercise due care and vigilance and is required to act in accordance with the provisions of the Deed, the laws and all relevant guidelines.</p> <p>The Trustee also assume an oversight function on the management company by ensuring that the management company performs its duties and obligations in accordance with the provisions of the Deed, the laws and all relevant guidelines.</p>
<b>Trustee's Delegate</b>	<p>The Trustee has appointed Standard Chartered Saadiq Berhad ("SCSB") as the custodian of the quoted and unquoted investments of the Fund. SCSB was incorporated in Malaysia under the same name on 30 June 2008 under the Companies Act 1965 (now known as Companies Act 2016) as a public limited company and is an indirect subsidiary of Standard Chartered Bank (Singapore) Limited and an indirect subsidiary of Standard Chartered PLC (the holding company of a global banking group). SCSB was granted a license on 12 October 2008 under the Islamic Banking Act 1983 (now known as Islamic Financial Services Act 2013).</p> <p>SCSB is responsible for the Fund's assets settlement and custodising the Fund's assets. 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.</p>
<b>Trustee's Statement of Responsibility</b>	<p>The Trustee has covenanted in the Deed that it will exercise all due diligence and vigilance in carrying out its functions and duties, and in safeguarding the rights and interests of Unit Holders.</p>
<b>Trustee's Material Litigation and Arbitration</b>	<p>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 fact likely to give rise to any proceedings which might materially affect the business or financial position of the Trustee.</p>

## 10. SALIENT TERMS OF THE DEED

### 10.1 Rights of the Unit Holders

A Unit Holder has the right, amongst others:

- (a) to receive distribution of income (if any);
- (b) to participate in any increase in the value of the Units;
- (c) to call for Unit Holders' meetings, and to vote for the removal of the Trustee or the Manager through special resolution;

- (d) to receive annual and quarterly reports of the Fund; and
- (e) to enjoy such other rights and privileges as set out in the Deed.

No Unit Holder shall be entitled to require the transfer to him of any of the Fund's assets or be entitled to interfere with or question the exercise by the Trustee, or the Manager on the Trustee's behalf, of the rights of the Trustee as the registered owner of such assets.

## **10.2 Liabilities of Unit Holders**

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

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 Fund's assets, and any right of indemnity of the Manager and/or the Trustee pursuant to this clause shall be limited to recourse to the Fund.

## **10.3 Termination of the Fund or a Class**

### Termination of the Fund

The Manager may determine the trust and wind up the Fund in accordance with the relevant laws. Notwithstanding the aforesaid, if the Fund is left with no Unit Holders, the Manager shall be entitled to terminate the Fund.

The Manager may also, in its sole discretion and without having to obtain the prior approval of the Unit Holders, terminate the trust and wind up the Fund if the Manager deems it to be uneconomical for the Manager to continue managing the Fund.

The Manager, upon termination, may notify the existing Unit Holders in writing of the following options:

1. to receive the net cash proceeds derived from the sale of all the Fund's assets less any payment for liabilities of the Fund and any cash produce available for distribution in proportion to the number of Units held by the Unit Holders respectively;
2. to use the net cash proceeds to invest in any other wholesale fund managed by the Manager upon such terms and conditions as shall be set out in the written notification; or
3. to choose any other alternative as may be proposed by the Manager.

Nonetheless, the Fund may be terminated or wound up if a special resolution is passed at a Unit Holder's meeting to terminate or wind up the Fund.

### Termination of a Class

The Manager may terminate a particular Class via the passing of a special resolution by the Unit Holders of such Class at a meeting of Unit Holders of such Class, and subject to and in accordance with the relevant laws. The Manager may only terminate a particular Class if the termination of that Class does not prejudice the interests of Unit Holders of any other Class. For the avoidance of doubt, the termination of a Class shall not affect the continuity of any other Class of the Fund.

The Manager may, in its sole discretion and without having to obtain the prior approval of the Unit Holders, terminate a particular Class if the Manager deems it to be uneconomical for the Manager to continue managing that Class.

#### **10.4 Power to call for a Meeting by Unit Holders**

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.

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

- (a) requiring the retirement or removal of the Manager;
- (b) requiring the retirement or removal of the Trustee;
- (c) considering the most recent financial statements of the Fund;
- (d) giving to the Trustee such directions as the meeting thinks proper; or
- (e) considering any matter in relation to the Deed,

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

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 a poll shall be taken. On a voting by show of hands every Unit Holder who is present in person or by proxy shall have one (1) vote notwithstanding that a Unit Holder may hold Units in different Classes. Upon a voting by poll, the votes by every Unit Holder present in person or by proxy shall be proportionate to the value of Units held by him.

#### Quorum

- (a) The quorum required for a meeting of the Unit Holders of the Fund or a Class (as the case may be) shall be five (5) Unit Holders, whether present in person or by proxy; however, if the Fund or a Class (as the case may be) has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders of the Fund or a Class (as the case may be) shall be two (2) Unit Holders, 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 of the Fund or a Class (as the case may be) at the time of the meeting.
- (c) If the Fund or a Class, as the case may be, has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders of the Fund or a Class, as the case may be.

### **11. CONFLICT OF INTERESTS AND RELATED PARTY TRANSACTIONS**

#### Manager

As at LPD, we are not aware of any existing or potential conflict of interest situations which may arise.

Save as disclosed below, there are no existing or proposed related party transactions involving the Fund, us as 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	<p>Maybank</p> <p>The Manager is wholly-owned by Maybank Asset Management Group Berhad (“MAMG”). MAMG is wholly owned by Maybank.</p>	<p>Delegate:</p> <p>The Manager has delegated its back office functions (i.e., the fund accounting and valuation function and maintenance of the register of Unit Holders) to Maybank Securities Solutions which is a unit within Maybank.</p>
	<p>MAMG</p> <p>The Manager is wholly-owned by MAMG.</p>	<p>Delegate:</p> <p>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.</p>
	<p>Maybank Shared Services Sdn Bhd</p> <p>Maybank Shared Services Sdn Bhd is wholly-owned by Maybank.</p>	<p>Delegate:</p> <p>The Manager has delegated its information technology function to Maybank Shared Services Sdn Bhd.</p>
	<p>Maybank Asset Management Sdn Bhd (“MAM”)</p> <p>MAM is wholly owned by MAMG. MAMG wholly owns the Manager.</p>	<p>Delegate:</p> <p>The Manager has delegated the central dealing, product services, client services and business operations function to MAM.</p>

## 12. 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 Information Memorandum.

## 13. CUSTOMER INFORMATION SERVICE

Unit Holders can seek assistance on any issue relating to the Fund from our client servicing personnel at our 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. Alternatively, Unit Holders may e-mail their enquiries to [mamcs@maybank.com.my](mailto:mamcs@maybank.com.my).

Alternatively, Unit Holders can contact:

- (i) Complaints Bureau, FIMM via:
  - Tel No: 03 - 7890 4242
  - email: [complaints@fimm.com.my](mailto:complaints@fimm.com.my)
  - Online complaint form: [www.fimm.com.my](http://www.fimm.com.my)
  - Letter: Complaints Bureau  
Legal & Regulatory Affairs  
Federation of Investment Managers Malaysia  
19-06-1, 6<sup>th</sup> Floor, Wisma Capital A  
No. 19, Lorong Dungun  
Damansara Heights  
50490 Kuala Lumpur.
- (ii) Financial Markets Ombudsman Service (FMOS) via:
  - Tel No: 03 - 2272 2811
  - FMOS Dispute Form: <https://www.fmos.org.my/en/>
  - Letter: Financial Markets Ombudsman Service  
Level 14, Main Block Menara Takaful Malaysia  
No. 4, Jalan Sultan Sulaiman  
50000 Kuala Lumpur.
- (iii) Consumer & Investor Office, SC via:
  - Tel No: 03 - 6204 8999 (*Aduan hotline*)
  - Fax No: 03 - 6204 8991
  - email: [aduan@seccom.com.my](mailto:aduan@seccom.com.my)
  - Online complaint form: [www.sc.com.my](http://www.sc.com.my)
  - Letter: Consumer & Investor Office  
Securities Commission Malaysia  
No. 3 Persiaran Bukit Kiara  
Bukit Kiara  
50490 Kuala Lumpur.

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## 14. TAX ADVISER'S LETTER

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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 Information Memorandum)

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

27 February 2025

The Board of Directors  
Maybank Islamic 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 Information Memorandum in connection with the offer of units in the unit trust known as Maybank Global Strategic 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.



The Board of Directors  
Maybank Islamic Asset Management Sdn Bhd  
27 February 2025

2

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<sup>1</sup>, interest and rent chargeable to tax for that basis period; and

C is the aggregate of the gross income consisting of dividend<sup>1</sup> 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.

<sup>1</sup> 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.



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## 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<sup>2</sup>;
- (v) interest derived from Malaysia and paid or credited by any development financial institution prescribed under the Development Financial Institutions Act 2002<sup>2</sup>;
- (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)<sup>3</sup>; 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.

<sup>2</sup> 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.

<sup>3</sup> 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 (FSI)

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.

Based on the Malaysian Inland Revenue Board's "Guidelines on Tax Treatment in Relation to Income Received from Abroad (Amendment)" updated on 20 June 2024, the term "received in Malaysia" means transferred or brought into Malaysia, either by way of cash<sup>4</sup> or electronic funds transfer<sup>5</sup>.

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<sup>6</sup>, and where relevant conditions are met.

The Income Tax (Unit Trust in relation to Income Received In Malaysia from Outside Malaysia) (Exemption) Order 2024 [P.U.(A) 250] has been issued to exempt a "qualifying unit trust"<sup>7</sup> from the payment of income tax in respect of gross income from all sources of income under Section 4 of the MITA (including capital gains classified under Section 4(aa)), which is received in Malaysia from outside Malaysia.

This exemption applies to FSI received in Malaysia from 1 January 2024 to 31 December 2026, subject to the following conditions being complied with by the qualifying unit trust or the management company<sup>8</sup> of the qualifying unit trust:

- ▶ The income received in Malaysia has been subject to tax of a similar character to income tax under the laws of territory from which the income arose; and
- ▶ The highest rate of tax of a similar character to income tax under the law of that territory at that time is not less than 15%.

OR

<sup>4</sup> "Cash" in this context is defined as banknotes, coins and cheques.

<sup>5</sup> "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.

<sup>6</sup> "Foreign tax" includes withholding tax.

<sup>7</sup> "Qualifying unit trust" in this context means a unit trust resident in Malaysia that is:

- (a) managed by a management company;
- (b) has income received in Malaysia from outside of Malaysia; and
- (c) does not include a unit trust which is approved by the Securities Commission as Real Estate Investment Trust or Property Trust Fund listed on Bursa Malaysia.

<sup>8</sup> "Management company" means a company licensed by the Securities Commission by which or on whose behalf a unit of a qualifying unit trust -

- a) has been or is proposed to be issued, or offered for subscription or purchase; or
  - b) in respect of which an invitation to subscribe or purchase has been made.
- and includes any person for the time being exercising the functions of the management company.



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- ▶ The management company of the qualifying unit trust shall employ an adequate number of employees in Malaysia and incur an adequate amount of operating expenditure in Malaysia.

The exemption will not apply to a unit trust carrying on the business of banking, insurance or sea or air transport.

### **Gains from the realisation of investments**

Pursuant to the Finance (No. 2) Act 2023 ("Finance Act"), gains from the realisation of investments by a unit trust would no longer be exempt from tax. Pursuant to Section 61(1)(b) of the MITA, gains arising from the realisation of investments shall be treated as income of a unit trust under Section 4(aa) of MITA, provided that such gains are not related to real property as defined in the Real Property Gains Tax Act 1976. Section 4(aa) provides that gains or profits from the disposal of a capital asset are to be treated as a class of income. The tax imposed on such income under the MITA is commonly referred to as "capital gains tax" (CGT).

Based on the MITA, the following will be subject to Malaysian CGT:

#### Capital assets situated in Malaysia

- a) Gains or profits from the disposal of shares of a company incorporated in Malaysia not listed on the stock exchange (including any rights or interests thereof) owned by a company, limited liability partnership, trust body or co-operative society
- b) Gains or profits, accruing to a company, limited liability partnership, trust body or co-operative society, on the disposal of shares in foreign incorporated controlled companies deriving value from real property in Malaysia, as determined based on the relevant provisions of the MITA.

#### Capital assets situated outside Malaysia

- c) Gains or profits from the disposal of movable or immovable property situated outside Malaysia including any rights or interests thereof. Such gains will only be subject to tax when the gains are received in Malaysia.

#### Note:

Pursuant to the Income Tax (Exemption) (No.3) Order 2024 [P.U.(A) 75], a trust body is exempted from payment of income tax in respect of gains or profits from the disposal of capital asset arising from outside Malaysia which is received in Malaysia. This exemption applies for such disposals from 1 January 2024 to 31 December 2026 subject to the following conditions being complied with by the trust body:

- ▶ employ an adequate number of employees in Malaysia with necessary qualifications to carry out the specified economic activities in Malaysia; and



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- incur an adequate amount of operating expenditure for carrying out the specified economic activities in Malaysia.

Note that this exemption order applies to companies, limited liability partnerships, co-operative societies and trust bodies, whilst the (Income Tax (Unit Trust in relation to Income Received in Malaysia from Outside Malaysia) (Exemption) Order 2024 [P.U.(A) 250] (as referred above) applies specifically to qualifying unit trusts.

The Finance Act provides an effective date of 1 January 2024 for the above changes to the MITA. However, pursuant to the Income Tax (Exemption) (No. 7) Order 2023 [P.U.(A) 410] and the Income Tax (Exemption) (No. 2) Order 2024 [P.U.(A) 57], taxpayers, including a trust body, are exempted from the payment of income tax in respect of any gains or profits received from the disposal of capital assets situated in Malaysia (see Item (a) and (b) above) where such disposals occur between 1 January and 29 February 2024.

In addition to the above, the Income Tax (Unit Trust) (Exemption) Order 2024 [P.U.(A) 249] exempts a qualifying unit trust<sup>9</sup> resident in Malaysia from the payment of income tax in respect of any gains or profit received from the disposal of shares of a company incorporated in Malaysia which is not listed on the stock exchange and from the disposal of shares under section 15C of the MITA where such disposals occur between 1 January 2024 to 31 December 2028.

The exemption will not apply to gains or profits from the disposals of capital asset that fall under Section 4(a) of the MITA, as business income.

#### CGT rates

As noted above, various tax exemptions are available to a qualifying unit trust. For completeness, if exemptions did not apply, the relevant tax rates of the gains of the disposal of capital assets are as below:

	Tax rates
A. Disposal of capital assets situated in Malaysia which was <b>acquired before 1 January 2024</b>	
▪ On chargeable income of the disposal	10%
▪ On gross disposal price	2%
B. Disposal of capital assets situated in Malaysia which was <b>acquired after 1 January 2024</b>	
▪ On chargeable income of the disposal	10%

<sup>9</sup> "Qualifying unit trust" in this context does not include a unit trust which is approved by the Securities Commission as a Real Estate Investment Trust or Property Trust Fund listed on Bursa Malaysia.



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	Tax rates
C. Disposal of capital assets situated outside Malaysia	
▪ On chargeable income of the disposal	24% (prevailing tax rate of a unit trust)

#### 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 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 service tax<sup>10</sup> 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").

<sup>10</sup> Pursuant to Service Tax (Rate of Tax) (Amendment) Order 2024 [P.U. (A) 64], the service tax rate is increased from 6% to 8% with effect from 1 March 2024 on generally all of the taxable services except for provision of food and beverage services, telecommunication services, parking space and logistics services.



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### **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. See however item 2 below on certain distributions which are not taxable to unit holders.

Such taxable 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 holders.

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 MITA. 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.



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As stated above, with effect from 1 January 2024 (1 March 2024 for disposals of shares of a company incorporated in Malaysia not listed on the stock exchange), gains arising from the realisation of investments shall be treated as income of the Fund under Section 4(aa), pursuant to the proviso of Section 61(1)(b) of MITA.<sup>12</sup> However, pursuant to Section 61(1A) of MITA, unit holders will still not be charged to tax on the gains referred to in the proviso to Section 61(1)(b).

### 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
<p>Malaysian tax resident:</p> <ul style="list-style-type: none"> <li>Individual and non-corporate unit holders (such as associations and societies)</li> <li>Co-operatives<sup>11</sup></li> <li>Trust bodies</li> <li>Corporate unit holders <ul style="list-style-type: none"> <li>(i) A company with paid up capital in respect of ordinary shares of not more than RM2.5 million (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<sup>12 13</sup></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Progressive tax rates ranging from 0% to 30%</li> <li>Progressive tax rates ranging from 0% to 24%</li> <li>24%</li> <li>First RM150,000 of chargeable income @ 15%<sup>14</sup></li> <li>Next RM450,000 of chargeable income @ 17%</li> <li>Chargeable income in excess of RM600,000 @ 24%</li> </ul>

<sup>11</sup> 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.

<sup>12</sup> A company would not be eligible for the concessionary tax rate on the first RM600,000 of chargeable income if:-



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Unit holders	Malaysian income tax rates
(ii) Companies other than (i) above	<ul style="list-style-type: none"> <li>• 24%</li> </ul>
Non-Malaysian tax resident (Note 1):	
<ul style="list-style-type: none"> <li>• Individual and non-corporate unit holders</li> <li>• Corporate unit holders and trust bodies</li> </ul>	<ul style="list-style-type: none"> <li>• 30%</li> <li>• 24%</li> </ul>

**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 sale of units 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.

- 
- (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.
- (d) Pursuant to the Finance Act 2023, effective from the year of assessment 2024, in order for a company to qualify for the concessionary tax rates not more than 20% of the paid-up capital in respect of the ordinary shares of the company at the beginning of a basis period for a year of assessment can be directly or indirectly owned by one or more companies incorporated outside Malaysia or by individuals who are not citizens of Malaysia.

<sup>13</sup> 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.

<sup>14</sup> Pursuant to the Finance Act 2023, effective from the year of assessment 2023, the concessionary tax rate is reduced from 17% to 15% for the first RM150,000 of chargeable income.



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#### **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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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

DocuSigned by:  
  
EED788CE6B864DC...  
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 Information Memorandum and has not withdrawn such consent before the date of issue of this Information Memorandum.

**Maybank Islamic Asset Management Sdn Bhd**  
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