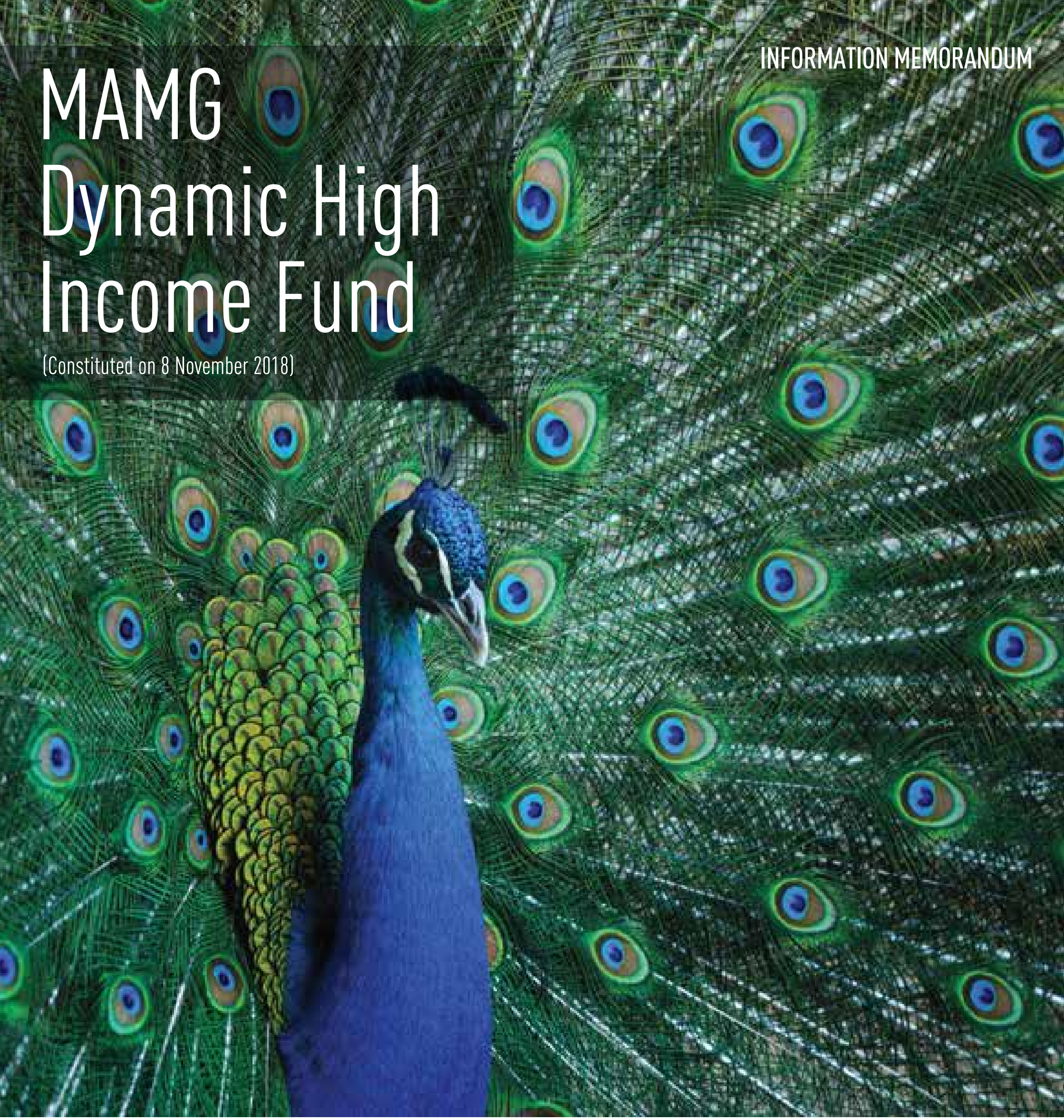
INFORMATION MEMORANDUM

MAMG Dynamic High Income Fund

(Constituted on 8 November 2018)



Launch date: 22 January 2019

Manager: Maybank Asset Management Sdn Bhd (421779-M)
Trustee: RHB Trustees Berhad (Company No. 573019-U)

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 MAMG DYNAMIC HIGH INCOME FUND CAN ONLY BE SOLD TO SOPHISTICATED INVESTORS.

Humanising Financial Services.

Maybank Asset Management

SECOND SUPPLEMENTARY INFORMATION MEMORANDUM

This Second Supplementary Information Memorandum dated 14 January 2025 must be read together with the Information Memorandum dated 22 January 2019 and the First Supplementary Information Memorandum dated 8 February 2024 for:-

FUND	DATE OF CONSTITUTION
MAMG Dynamic High Income Fund	8 November 2018

Manager	:	Maybank Asset Management Sdn Bhd (Registration No.: 199701006283 (421779-M))
Trustee	:	RHB Trustees Berhad (Registration No.: 200201005356 (573019-U))

INVESTORS ARE ADVISED TO READ THIS SECOND SUPPLEMENTARY INFORMATION MEMORANDUM DATED 14 JANUARY 2025 TOGETHER WITH THE INFORMATION MEMORANDUM DATED 22 JANUARY 2019 AND THE FIRST SUPPLEMENTARY INFORMATION MEMORANDUM DATED 8 FEBRUARY 2024 AND OBTAIN PROFESSIONAL ADVICE BEFORE SUBSCRIBING TO THE FUND.

UNITS OF THE MAMG DYNAMIC HIGH INCOME FUND CAN ONLY BE SOLD TO SOPHISTICATED INVESTORS.

Responsibility Statements

This Second Supplementary Information Memorandum has been seen and approved by the directors of Maybank 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 Second Supplementary Information Memorandum has been lodged with the Securities Commission Malaysia.

The Securities Commission Malaysia has not authorised or recognised the MAMG Dynamic High Income Fund and a copy of this Second Supplementary Information Memorandum, the Information Memorandum dated 22 January 2019 ("Information Memorandum") and the First Supplementary Information Memorandum dated 8 February 2024 ("First Supplementary Information Memorandum") have not been registered with the Securities Commission Malaysia.

The lodgement of this Second Supplementary Information Memorandum, the Information Memorandum and the First Supplementary Information Memorandum should not be taken to indicate that the Securities Commission Malaysia recommends the MAMG Dynamic High Income Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Second Supplementary Information Memorandum, the Information Memorandum and the First Supplementary Information Memorandum.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Maybank Asset Management Sdn Bhd responsible for the MAMG Dynamic High Income Fund and takes no responsibility for the contents in this Second Supplementary Information Memorandum, the Information Memorandum and the First Supplementary Information Memorandum. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Second Supplementary Information Memorandum, the Information Memorandum and the First Supplementary 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 Second Supplementary 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 Second Supplementary Information Memorandum or the conduct of any other person in relation to the Fund.

Investors are advised to read this Second Supplementary Information Memorandum dated 14 January 2025 together with the Information Memorandum dated 22 January 2019 and the First Supplementary Information Memorandum dated 8 February 2024.

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.

[The remainder of this page is intentionally left blank]

Investors are advised to read this Second Supplementary Information Memorandum dated 14 January 2025 together with the Information Memorandum dated 22 January 2019 and the First Supplementary Information Memorandum dated 8 February 2024.

1. **<u>Amendment to “Chapter 1 – Corporate Directory” on page 1 of the Information Memorandum</u>**

   The information on the registered office of the Trustee is hereby deleted in its entirety and replaced with the following:

REGISTERED OFFICE	Level 10, Tower One RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Tel. No.: 03-2302 8264 Fax No.: 03-2302 8298

2. **<u>Amendment to “Chapter 1 – Corporate Directory” on page 1 of the Information Memorandum</u>**

   The telephone number and fax number of the Trustee’s business office is hereby deleted in its entirety and replaced with the following:

   Tel. No.: 03-2302 8252
   Fax No.: 03-2302 8298

3. **<u>Insertion of the definition of “Bond Connect” in “Chapter 2 – Definitions” on page 2 of the Information Memorandum</u>**

   A new definition of “Bond Connect” is hereby inserted after the definition of “BlackRock Global Funds / the Company” as follows:

Bond Connect	means the initiative launched in July 2017 for mutual bond market access between Hong Kong and Mainland China.

4. **<u>Insertion of the definition of “CIBM” in “Chapter 2 – Definitions” on page 2 of the Information Memorandum</u>**

   A new definition of “CIBM” is hereby inserted after the definition of “Business Day” as follows:

CIBM	means China Interbank Bond Market, the Mainland China interbank bond markets of the People’s Republic of China.

5. **<u>Insertion of the definition of “Foreign Access Regime” in “Chapter 2 – Definitions” on page 3 of the Information Memorandum</u>**

   A new definition of “Foreign Access Regime” is hereby inserted after the definition of “ex-distribution date” as follows:

Investors are advised to read this Second Supplementary Information Memorandum dated 14 January 2025 together with the Information Memorandum dated 22 January 2019 and the First Supplementary Information Memorandum dated 8 February 2024.

Foreign Access Regime	means the regime for foreign institutional investors to invest in the CIBM.

6. <u>Amendment to the definition of "Sophisticated Investor" in "Chapter 2 - Definitions" on pages 4 - 5 of the Information Memorandum</u>

The definition of "Sophisticated Investor" is hereby deleted in its entirety and replaced with the following:

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

Investors are advised to read this Second Supplementary Information Memorandum dated 14 January 2025 together with the Information Memorandum dated 22 January 2019 and the First Supplementary Information Memorandum dated 8 February 2024.

(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 two hundred and fifty thousand ringgit 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.

7. <u>Insertion of the definition of "Stock Connect" in "Chapter 2 – Definitions" on page 5 of the Information Memorandum</u>

A new definition of "Stock Connect" is hereby inserted after the definition of "Sophisticated investor" as follows:

Stock Connect	means each of the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect, and collectively the "Stock Connects".

Investors are advised to read this Second Supplementary Information Memorandum dated 14 January 2025 together with the Information Memorandum dated 22 January 2019 and the First Supplementary Information Memorandum dated 8 February 2024.

8. Amendment to "Chapter 3 – Fund's Details" on page 6 of the Information Memorandum

The information on risk benchmark is hereby deleted in its entirety and replaced with the following:

70% MSCI World Index and 30% Bloomberg Global Aggregate Bond Index USD Hedged. This is not a guaranteed return and is only a risk benchmark of the Fund's volatility.

Notes:
(1) The Fund adopts the risk benchmark of the Target Fund. The risk benchmark is used to compare against both the risk (in standard deviation) of the Fund and the Target Fund. The Fund and the Target Fund aim to invest in a portfolio of securities which have a total risk level that are in line with or below the risk benchmark.
(2) The benchmark of the Fund will be changed with effect from the date of this Second Supplementary Information Memorandum.

9. Amendment to "Chapter 3 – Fund's Details" on page 8 of the Information Memorandum

The information on note (1) of mode of distribution is hereby deleted in its entirety and replaced with the following:

If the bank transfer remained unsuccessful and unclaimed for 6 months, the unclaimed income distribution will be reinvested into the Fund within 30 Business Days after the expiry of the 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).

10. Amendment to Section 3.2 – Information of the Target Fund in "Chapter 3 – Fund's Details" on page 10 of the Information Memorandum

The information on investment strategy and policy is hereby deleted in its entirety and replaced with the following:

In order to generate high levels of income, the Target Fund will seek diversified income sources across a variety of asset classes, investing significantly in income producing assets such as fixed income transferable securities, including corporate and government issues which may be fixed and floating and may be investment grade, sub-investment grade or unrated, covered call options and preference shares. The Target Fund will use a variety of investment strategies and may invest globally in the full spectrum of permitted investments including equities, equity-related securities, fixed income transferable securities, units of undertakings for collective investment, cash, deposits and money market instruments. Currency exposure is flexibly managed.

Investors are advised to read this Second Supplementary Information Memorandum dated 14 January 2025 together with the Information Memorandum dated 22 January 2019 and the First Supplementary Information Memorandum dated 8 February 2024.

The Target Fund is a Stock Connect fund and may invest directly in the People's Republic of China by investing via the Stock Connects. The Target Fund is a CIBM fund and may gain direct exposure to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time. The Target Fund may invest up to 20% in aggregate of its total assets in the People's Republic of China via the Stock Connects, the Foreign Access Regime and/or Bond Connect.

As part of its investment objective, the Target Fund may invest up to 50% of its total assets in Asset-Backed Securities (ABS) and Mortgage-Backed Securities (MBS) whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Target Fund invests may use leverage to increase return to investors. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Target Fund's exposure to distressed securities is limited to 10% of its total assets, its exposure to contingent convertible bonds is limited to 20% of its total assets and its exposure to structured notes qualifying as transferable securities (which may embed a derivative) is limited to 30% of its total assets. Where structured notes embed a derivative, the underlying instruments to such structured notes will be UCITS eligible investments.

The Target Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

The Target Fund may have significant exposure to ABS, MBS and non-investment grade debt.

11. <u>Amendment to "Chapter 4 – Fees and Charges" on page 11 of the Information Memorandum</u>

The first paragraph in Chapter 4 is hereby deleted in its entirety and replaced with the following:

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.

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.

12. Amendment to "Chapter 12 – Customer Information Service" on pages 22 – 23 of the Information Memorandum

The information on items (i) and (ii) are hereby deleted in their entirety and replaced with the following:

(i) Complaints Bureau, FIMM via:

- Tel No: 03 – 7890 4242
- Email: complaints@fimm.com.my
- Online complaint form: www.fimm.com.my
- Letter: Complaints Bureau
  Legal & Regulatory Affairs
  Federation of Investment Managers Malaysia
  19-06-1, 6th Floor Wisma Capital A
  No. 19, Lorong Dungun
  Damansara Heights
  50490 Kuala Lumpur.

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

- Tel No: 03 – 2276 6969
- Email: info@sidrec.com.my
- Letter: Securities Industry Dispute Resolution Center
  Level 25, Menara Takaful Malaysia
  No. 4, Jalan Sultan Sulaiman
  50000 Kuala Lumpur.

13. Amendment to Section 13.1 – Investment and Borrowing Powers and Restrictions in "Chapter 13 – Appendix" on page 25 of the Information Memorandum

The information on paragraph 3. is hereby deleted in its entirety and replaced with the following:

The Target Fund may acquire the units of other funds in the Company, UCITS and/or other UCIs referred to in paragraph 1(f). The Target Fund's aggregate investment in UCITS, other funds in the Company and other UCI's will not exceed 10% of its net assets in order that the Target Fund is deemed an eligible investment for other UCITS funds.

The Target Fund may acquire the units of UCITS and/or other UCIs referred to in paragraph 1(f), provided that no more than 20% of the Target Fund's net assets are invested in the units of any single UCITS and/or other UCI. For the purpose of the application of this limit, each target UCITS or UCI sub-fund of an umbrella is to be considered as a separate issuer, provided that segregated liability in relation to third party claims between sub-funds is effective.

The maximum aggregate investment by the Target Fund in units of eligible UCIs other than UCITS may not exceed 30% of the Target Fund's net assets.

Investors are advised to read this Second Supplementary Information Memorandum dated 14 January 2025 together with the Information Memorandum dated 22 January 2019 and the First Supplementary Information Memorandum dated 8 February 2024.

When the Target Fund has acquired shares of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in paragraph 6 below.

When the Target Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same investment manager or by any other company with which the investment manager is linked by common management or control, or by a substantial direct or indirect holding, no subscription or redemption fees may be charged to the Company on its investment in the units of such other UCITS and/or UCIs.

Where the Target Fund invests a substantial proportion of its net assets in other UCITS and other UCIs, the Investment Adviser will ensure that the total management fee (excluding any performance fee, if any) charged to the Target Fund (including management fees from other UCITS and UCIs in which it invests) shall not exceed 1.50% of the net asset value of the Target Fund.

14. <u>Amendment to Section 13.1 – Investment and Borrowing Powers and Restrictions in "Chapter 13 – Appendix" on page 25 of the Information Memorandum</u>

The information on paragraph 5. is hereby deleted in its entirety and replaced with the following:

The Target Fund may hold no more than 20% ancillary liquid assets (such as cash held in current accounts with a bank accessible at any time "deposits at sight", in order to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets provided under article 41(1) of the 2010 Law, or for a period of time strictly necessary in case of unfavourable market conditions. This restriction may only be exceeded temporarily for a period of time strictly necessary if the directors of the Company consider this to be in the best interest of the shareholders of the Target Fund (during exceptionally unfavourable market conditions such as a severe financial market collapse).

15. <u>Amendment to Section 13.1 – Investment and Borrowing Powers and Restrictions in "Chapter 13 – Appendix" on page 28 of the Information Memorandum</u>

The information on paragraph 12. is hereby deleted in its entirety and replaced with the following:

The Company may not grant credit facilities nor act as guarantor on behalf of third parties, provided that for the purpose of this restriction (i) the acquisition of transferable securities, money market instruments or other financial investments referred to in paragraphs 1(f), 1(h) and 1(i) above, in fully or partly paid form and (ii) the permitted lending of portfolio securities shall be deemed not to constitute the making of a loan.

Investors are advised to read this Second Supplementary Information Memorandum dated 14 January 2025 together with the Information Memorandum dated 22 January 2019 and the First Supplementary Information Memorandum dated 8 February 2024.

16. **<u>Amendment to Section 13.1 – Investment and Borrowing Powers and Restrictions in "Chapter 13 – Appendix" on page 28 of the Information Memorandum</u>**

The information on paragraph 13. is hereby deleted in its entirety and replaced with the following:

The Company undertakes not to carry out uncovered sales transactions of transferable securities, money market instruments or other financial instruments referred to in paragraphs 1(f), 1(h) and 1(i) above; provided that this restriction shall not prevent the Company from making deposits or carrying out accounts in connection with financial derivatives instruments, permitted within the limits referred to above.

17. **<u>Amendment to Section 13.1 – Investment and Borrowing Powers and Restrictions in "Chapter 13 – Appendix" on page 28 of the Information Memorandum</u>**

The information on paragraph 17. is hereby deleted in its entirety and replaced with the following:

The Company must employ a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolio; it must employ a process for accurate and independent assessment of the value of OTC derivative instruments. It must communicate to the CSSF regularly and in accordance with the detailed rules defined by the latter, the types of derivative instruments, the underlying risks, the quantitative limits and the methods which are chosen in order to estimate the risks associated with transactions in derivative instruments.

In addition, the Company is authorised to employ techniques and instruments relating to transferable securities and to money market instruments under the conditions and within the limits laid down by the CSSF provided that such techniques and instruments are used for the purpose of efficient portfolio management or for hedging purposes.

When these operations concern the use of derivative instruments, these conditions and limits shall conform to the provisions laid down in the 2010 Law.

Under no circumstances shall these operations cause the Company to diverge from its investment policies and investment restrictions.

The Company will ensure that the global exposure of the underlying assets shall not exceed the total net value of the Target Fund. The underlying assets of index based derivative instruments are not combined to the investment limits laid down under paragraph 6(a) to (d) above.

- When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the abovementioned restrictions.
- The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

Investors are advised to read this Second Supplementary Information Memorandum dated 14 January 2025 together with the Information Memorandum dated 22 January 2019 and the First Supplementary Information Memorandum dated 8 February 2024.

18. Amendment to Section 13.2 – Securities Lending Transaction in "Chapter 13 – Appendix" on page 28 of the Information Memorandum

The information on the first paragraph of securities lending transaction is hereby deleted in its entirety and replaced with the following:

The Target Fund may conduct securities lending transactions in aggregate for up to 49% of the net asset value of the Target Fund. However, the expected proportion of the Target Fund that may be involved in securities lending transactions is up to 49% of the net asset value of the Target Fund.

19. Amendment to Section 13.2 – Securities Lending Transaction in "Chapter 13 – Appendix" on pages 29 - 30 of the Information Memorandum

The information on the fifth and sixth paragraphs of securities lending transaction are hereby deleted in their entirety and replaced with the following:

Fifth paragraph
As part of its securities lending program, BlackRock indemnifies the Target Fund and certain other clients and/or funds against a shortfall in collateral in the event of borrower default. On a regular basis, BlackRock calculates the potential dollar exposure of collateral shortfall resulting from a borrower default ("shortfall risk") in the securities lending program. BlackRock established program-wide borrower limits ("credit limits") to actively manage the borrower-specific credit exposure. BlackRock oversees the risk model that calculates projected collateral shortfall values using loan-level factors such as loan and collateral type and market value as well as specific borrower counterparty credit characteristics. When necessary, BlackRock may adjust securities lending program attributes by restricting eligible collateral or reducing borrower credit limits. As a result, the management of the program-wide exposure as well as Blackrock-specific indemnification exposure may affect the amount of securities lending activity BlackRock may conduct at any given point in time by reducing the volume of lending opportunities for certain loans (including by asset type, collateral type and/or revenue profile).

Sixth paragraph
BlackRock uses a predetermined systematic process in order to approximate pro-rata allocation over time. In order to allocate a loan to a portfolio: (i) BlackRock as a whole must have sufficient lending capacity pursuant to the various program limits (i.e. indemnification exposure limit and borrower credit limits); (ii) the lending portfolio must hold the asset at the time a loan opportunity arrives; and (iii) the lending portfolio must also have enough inventory, either on its own or when aggregated with other portfolios into one single market delivery, to satisfy the loan request. In doing so, BlackRock seeks to provide equal lending opportunities for all portfolios, independent of whether BlackRock indemnifies the portfolio. Equal opportunities for lending portfolios does not guarantee equal outcomes. Specifically, short and long-term outcomes for individual clients may vary due to asset mix, asset/liability spreads on different securities, and the overall limits imposed by the firm.

Investors are advised to read this Second Supplementary Information Memorandum dated 14 January 2025 together with the Information Memorandum dated 22 January 2019 and the First Supplementary Information Memorandum dated 8 February 2024.

BlackRock may decline to make a securities loan on behalf of the Target Fund, discontinue lending on behalf of the Target Fund or terminate a securities loan on behalf of the Target Fund for any reason, including but not limited to regulatory requirements and/or markets rules, liquidity considerations, or credit considerations, which may impact the Target Fund by reducing or eliminating the volume of lending opportunities for certain types of loans, loans in particular markets, loans of particular securities or types of securities, or for loans overall.

20. Amendment to Section 13.3 – Specific Risks of the Target Fund in "Chapter 13 - Appendix" on page 30 of the Information Memorandum

The information on risk to capital growth is hereby deleted in its entirety and replaced with the following:

Risk of capital erosion
The Target Fund may be exposed to the risk of capital erosion as a result of the dividend policies they adopt and/or the investment strategies they pursue. Where distributions are made from net realised and net unrealised capital gains and/or capital or, where expenses are deducted from net realised and net unrealised capital gains and/or capital rather than income, this will result in capital erosion and therefore will reduce the potential for future capital growth.

Dividend policies
The Target Fund may make distributions from capital as well as from income and net realised and net unrealised capital gains. This may occur for example:

- If the securities markets in which the Target Fund invests had declined to such an extent that the Target Fund has incurred net capital losses;
- If dividends are paid gross of fees and expenses this will mean fees and expenses are paid out of net realised and net unrealised capital gains or initially subscribed capital. As a result payment of dividends on this basis will reduce the capital of the Target Fund and will reduce the potential for future capital growth; or
- If dividends include Interest Rate Differential arising from share class currency hedging, this will mean that the dividend may be higher but capital of the relevant share class will not benefit from the Interest Rate Differential. Where net share class currency hedging returns do not fully cover the Interest Rate Differential portion of a dividend, such shortfall will have the effect of reducing capital.
- In volatile or exceptional market conditions, the level of income of the Target Fund may reduce. This may lead to the consistency of distributions being compromised and also an increase in distributions from capital, net realised and net unrealised gains, to reduce the fluctuations in the distribution rate per share, which may in turn increase the risk of capital erosion and reduce the potential for capital growth.

Options Strategies
In addition, the Target Fund may pursue investment strategies, such as options strategies, in order to generate income. Whilst this might allow more income to be distributed, it may also have the effect of reducing capital and the potential for long-term capital growth as well as increasing any capital losses. Any such distributions may result in an immediate reduction of the net asset value per share. If the Target Fund

adopts options strategies to generate income and as part of an options strategy, the Investment Adviser is incorrect in its expectation of changes in the market prices or determination of the correlation between the instruments or indices on which the options are written or purchased and the instruments in the Target Fund's investment portfolio, the Target Fund may incur losses that it would not otherwise incur.

21. <u>Amendment to Section 13.3 – Specific Risks of the Target Fund in "Chapter 13 – Appendix" on pages 33 - 34 of the Information Memorandum</u>

The information on the emerging markets risk is hereby deleted in its entirety and replaced with the following:

Emerging Markets/Frontier Market
The following considerations, which apply to some extent to all international investments, are of particular significance in certain smaller emerging and frontier markets. The Target Fund investing in equities may include investments in certain smaller emerging and frontier markets, which are typically those of poorer or less developed countries which exhibit lower levels of economic and/or capital market development, and higher levels of share price and currency volatility. The prospects for economic growth in a number of these markets are considerable and equity returns have the potential to exceed those in mature markets as growth is achieved. However, share price and currency volatility are generally higher in emerging and frontier markets.

Some governments exercise substantial influence over the private economic sector and the political and social uncertainties that exist for many developing countries are particularly significant. Another risk common to most such countries is that the economy is heavily export oriented and, accordingly, is dependent upon international trade. The existence of overburdened infrastructures and obsolete financial systems also presents risks in certain countries, as do environmental problems which may be exacerbated by climate change.

Certain economies also depend to a significant degree upon exports of primary commodities and, therefore, are vulnerable to changes in commodity prices which, in turn, may be affected by a variety of factors.

In adverse social and political circumstances, governments have been involved in policies of expropriation, confiscatory taxation, nationalisation, intervention in the securities market and trade settlement, and imposition of foreign investment restrictions and exchange controls, and these could be repeated in the future. In addition, to withholding taxes on investment income, some emerging and frontier markets may impose capital gains taxes on foreign investors.

Generally accepted accounting, auditing and financial reporting practices in emerging and frontier markets may be significantly different from those developed markets. Compared to mature markets, some emerging and frontier markets may have a low level of regulation, enforcement of regulations and monitoring of investors' activities. Those activities may include practices such as trading on material non-public information by certain categories of investor.

The securities markets of developing countries are not as large as the more established securities markets and have substantially less trading volume, resulting in a lack of liquidity and high price volatility. There may be a high concentration of market capitalisation and trading volume in a small number of issuers representing a limited number of industries as well as a high concentration of investors and financial intermediaries. These factors may adversely affect the timing and pricing of the Target Fund's acquisition or disposal of securities.

Practices in relation to settlement of securities transactions in emerging and frontier markets involve higher risks than those in developed markets, in part because the Company will need to use brokers and counterparties which are less well capitalised, and custody and registration of assets in some countries may be unreliable. Delays in settlement could result in investment opportunities being missed if the Target Fund is unable to acquire or dispose of a security. The Depository is responsible for the proper selection and supervision of its correspondent banks in all relevant markets in accordance with Luxembourg law and regulation.

In certain emerging and frontier markets, registrars are not subject to effective government supervision nor are they always independent from issuers. The possibility of fraud, negligence, undue influence being exerted by the issuer or refusal to recognise ownership exists, which, along with other factors, could result in the registration of a shareholding being completely lost. Investors should therefore be aware that the Target Fund could suffer loss arising from these registration problems, and as a result of archaic legal systems the Target Fund may be unable to make a successful claim for compensation.

While the factors described above may result in a generally higher level of risk with respect to the individual smaller emerging and frontier markets, these may be reduced when there is a low correlation between the activities of those markets and/or by the diversification of investments within the Target Fund.

22. Amendment to Section 13.3 – Specific Risks of the Target Fund in "Chapter 13 – Appendix" on page 36 of the Information Memorandum

The information on liquidity risk is inserted immediately after bank corporate bonds "bail-in" risk as follows:

Liquidity risk
Trading volumes in the underlying investments of the Target Fund may fluctuate significantly depending on market sentiment. There is a risk that investments made by the Target Fund may become less liquid in response to market developments, adverse investor perceptions or regulatory and government intervention (including the possibility of widespread trading suspensions implemented by domestic regulators). In extreme market conditions, there may be no willing buyer for an investment and so that investment cannot be readily sold at the desired time or price, and consequently the Target Fund may have to accept a lower price to sell the relevant investment or may not be able to sell the investment at all. An inability to sell a particular investment or portion of the Target Fund's assets can have a negative impact of the value of the Target Fund or prevent the Target Fund from being able to take advantage of other investment opportunities.

Investors are advised to read this Second Supplementary Information Memorandum dated 14 January 2025 together with the Information Memorandum dated 22 January 2019 and the First Supplementary Information Memorandum dated 8 February 2024.

The liquidity of fixed income securities issued by small and mid-capitalisation companies and emerging country issuers is particularly likely to be reduced during adverse economic, market or political events or adverse market sentiment. The credit rating downgrade of fixed income securities and changes in prevailing interest rate environments may also affect their liquidity.

Similarly, investment in equity securities issued by unlisted companies, small and mid-capitalisation companies and companies based in emerging countries are particularly subject to the risk that during certain market conditions, the liquidity of particular issuers or industries, or all securities within a particular investment category, will reduce or disappear suddenly and without warning as a result of adverse economic, market or political events, or adverse market sentiment.

Liquidity risk also includes the risk that the Target Fund may be forced to defer redemptions, issue in specie redemptions or suspend dealing because of stressed market conditions, an unusually high volume of redemption requests, or other factors beyond the control of the Investment Adviser. To meet redemption requests, the Target Fund may be forced to sell investments at an unfavourable time and/or conditions, which may have a negative impact on the value of your investment.

23. Amendment to "Chapter 14 – Conflict of Interests and Related Party Transactions" on page 36 of the Information Memorandum

The information on conflict of interests and related party transactions is hereby deleted in its entirety and replaced with the following:

As at 30 November 2024, 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 30 November 2024:

Name of Party	Name of Related Party and Nature of Relationship	Existing / Potential Related Party Transaction
The Manager	Maybank The Manager is wholly-owned by Maybank Asset Management Group Berhad ("MAMG"). MAMG is wholly-owned by Maybank.	Distributor: Maybank has been appointed as one of the Manager's institutional unit trust scheme advisers. Delegate: The Manager has delegated its back office functions (i.e. the fund accounting and valuation function and maintenance of the register of Unit Holders) to

Investors are advised to read this Second Supplementary Information Memorandum dated 14 January 2025 together with the Information Memorandum dated 22 January 2019 and the First Supplementary Information Memorandum dated 8 February 2024.

		Maybank Securities Solutions which is a unit within Maybank.
	MAMG The Manager is wholly-owned by MAMG.	Delegate: The Manager has delegated its back office functions (i.e. finance, performance attribution, administration, legal, compliance, corporate secretarial services, strategy and project management office and risk management) to MAMG.
	Maybank Shared Services Sdn Bhd Maybank Shared Services Sdn Bhd is wholly-owned by Maybank.	Delegate: The Manager has delegated its information technology function to Maybank Shared Services Sdn Bhd.

[The remainder of this page is intentionally left blank]

24. **Amendment to "Chapter 15 – Tax Adviser's Letter" on page 36 of the Information Memorandum**

The tax adviser's letter is hereby deleted in its entirety and replaced with the following:

EY
Shape the future with confidence

Ernst & Young Tax Consultants Sdn. Bhd.
199901002487 (179793-K)
SST ID: W10-1808-31044478
Level 23A Menara Milenium
Jalan Damanlela,
Pusat Bandar Damansara
50490 Kuala Lumpur Malaysia

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

Taxation adviser's letter in respect of the taxation
of the unit trust fund and the unit holders
(prepared for inclusion in this Second Supplementary Information Memorandum)

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

23 December 2024

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

Dear Sirs

Taxation of the unit trust fund and unit holders

This letter has been prepared for inclusion in this Second Supplementary Information Memorandum in connection with the offer of units in the unit trust known as MAMG Dynamic High Income 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.

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

Shape the future
with confidence

deduction for a portion of other expenses (referred to as "permitted expenses") not directly related to the production of income, as explained below.

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

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

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

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

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

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

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

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

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

EY
Shape the future with confidence

Exempt income

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

- **Malaysian sourced dividends**

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

- **Malaysian sourced interest**

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

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

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

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

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

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

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

- **Discount**

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

---

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

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

Investors are advised to read this Second Supplementary Information Memorandum dated 14 January 2025 together with the Information Memorandum dated 22 January 2019 and the First Supplementary Information Memorandum dated 8 February 2024.

Shape the future
with confidence

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[4] or electronic funds transfer[5].

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[6], 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"[7] 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[8] 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

---

[4] "Cash" in this context is defined as banknotes, coins and cheques.
[5] "Electronic funds transfer" means bank transfers (e.g., credit or debit transfers), payment cards (debit card, credit card and charge card), electronic money, privately-issued digital assets (e.g., crypto-assets, stablecoins) and central bank digital currency.
[6] "Foreign tax" includes withholding tax
[7] "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.
[8] "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 subscribed or purchase has been made.
and includes any person for the time being exercising the functions of the management company.

EY
Shape the future
with confidence

- 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

Investors are advised to read this Second Supplementary Information Memorandum dated 14 January 2025 together with the Information Memorandum dated 22 January 2019 and the First Supplementary Information Memorandum dated 8 February 2024.

EY

Shape the future
with confidence

- 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[9] 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.

<u>CGT rates</u>

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 acquired before 1 January 2024 ▸ On chargeable income of the disposal ▸ On gross disposal price	 10% 2%
B. Disposal of capital assets situated in Malaysia which was acquired after 1 January 2024 ▸ On chargeable income of the disposal	 10%

[9] "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.

EY
Shape the future
with confidence

	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[10] provided they fall within the scope of service tax (i.e. are provided by a "taxable person", who exceeds the required annual threshold (in most cases RM 500,000 per annum) and the services qualify as "taxable services").

Taxation of unit holders

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

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

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

[10] 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.

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.

   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.[12] 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).

Investors are advised to read this Second Supplementary Information Memorandum dated 14 January 2025 together with the Information Memorandum dated 22 January 2019 and the First Supplementary Information Memorandum dated 8 February 2024.

EY

Shape the future with confidence

Rates of tax

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

Unit holders	Malaysian income tax rates
Malaysian tax resident:	
• Individual and non-corporate unit holders (such as associations and societies)	• Progressive tax rates ranging from 0% to 30%
• Co-operatives[11]	• Progressive tax rates ranging from 0% to 24%
• Trust bodies	• 24%
• Corporate unit holders	
(i) A company with paid up capital in respect of ordinary shares of not more than RM2.5 million (at the beginning of the basis period for the year of assessment) and gross income from a source or sources consisting of a business not exceeding RM50 million for the basis period for the year of assessment[12] [13]	• First RM150,000 of chargeable income @ 15%[14] • Next RM450,000 of chargeable income @17% • Chargeable income in excess of RM600,000 @ 24%

[11] 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.

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

Investors are advised to read this Second Supplementary Information Memorandum dated 14 January 2025 together with the Information Memorandum dated 22 January 2019 and the First Supplementary Information Memorandum dated 8 February 2024.

Shape the future
with confidence

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

Note 1:

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

Gains from sale of units

Gains arising from the 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.

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.

****

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.

[13] 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.

[14] 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.

EY

Shape the future
with confidence

The Board of Directors
Maybank Asset Management Sdn Bhd.
23 December 2024

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

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

Yours faithfully
Ernst & Young Tax Consultants Sdn Bhd

Bernard Yap
Partner

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

FIRST SUPPLEMENTARY INFORMATION MEMORANDUM

This First Supplementary Information Memorandum dated 8 February 2024 must be read together with the Information Memorandum dated 22 January 2019 for:-

FUND	DATE OF CONSTITUTION
MAMG Dynamic High Income Fund	8 November 2018

Manager	:	Maybank Asset Management Sdn Bhd (Registration No.: 199701006283 (421779-M))
Trustee	:	RHB Trustees Berhad (Registration No.: 200201005356 (573019-U))

INVESTORS ARE ADVISED TO READ THIS FIRST SUPPLEMENTARY INFORMATION MEMORANDUM DATED 8 FEBRUARY 2024 TOGETHER WITH THE INFORMATION MEMORANDUM DATED 22 JANUARY 2019 AND OBTAIN PROFESSIONAL ADVICE BEFORE SUBSCRIBING TO THE FUND.

UNITS OF THE MAMG DYNAMIC HIGH INCOME FUND CAN ONLY BE SOLD TO SOPHISTICATED INVESTORS.

Responsibility Statements

This First Supplementary Information Memorandum has been seen and approved by the directors of Maybank 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 First Supplementary Information Memorandum has been lodged with the Securities Commission Malaysia.

The Securities Commission Malaysia has not authorised or recognised the MAMG Dynamic High Income Fund and a copy of this First Supplementary Information Memorandum and the Information Memorandum dated 22 January 2019 ("Information Memorandum") have not been registered with the Securities Commission Malaysia.

The lodgement of this First Supplementary Information Memorandum and the Information Memorandum should not be taken to indicate that the Securities Commission Malaysia recommends the MAMG Dynamic High Income Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this First Supplementary Information Memorandum and the Information Memorandum.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Maybank Asset Management Sdn Bhd responsible for the MAMG Dynamic High Income Fund and takes no responsibility for the contents in this First Supplementary Information Memorandum and the Information Memorandum. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this First Supplementary Information Memorandum and the 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 First Supplementary 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 First Supplementary Information Memorandum or the conduct of any other person in relation to 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.

Investors are advised to read this First Supplementary Information Memorandum dated 8 February 2024 together with the Information Memorandum dated 22 January 2019.

1. **<u>Amendment to the registration number of the Manager in "Chapter 1 – Corporate Directory" on page 1 of the Information Memorandum</u>**

The registration number of the Manager is hereby deleted in its entirety and replaced with the following:

(Registration No.: 199701006283 (421779-M))

2. **<u>Amendment to the registration number of the Trustee in "Chapter 1 – Corporate Directory" on page 1 of the Information Memorandum</u>**

The registration number of the Trustee is hereby deleted in its entirety and replaced with the following:

(Registration No.: 200201005356 (573019-U))

3. **<u>Amendment to the definition of "Bursa Malaysia" in "Chapter 2 – Definitions" on page 2 of the Information Memorandum</u>**

The definition of "Bursa Malaysia" is hereby deleted in its entirety and replaced with the following:

Bursa Malaysia	means the stock exchange managed and operated by Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W)).

4. **<u>Amendment to the definition of "Business Day" in "Chapter 2 – Definitions" on page 2 of the Information Memorandum</u>**

The definition of "Business Day" is hereby deleted in its entirety and replaced with the following:

Business Day	means a day on which Bursa Malaysia is open for trading. We may declare a certain Business Day as a non-Business Day if (i) that day is not a dealing day of the Target Fund, (ii) that day is a holiday in any of the foreign markets which the Fund invests in or (iii) that day is not a business day in the country of the currency of the Class. * A dealing day of the Target Fund is: (a) any business day (i.e., a day normally treated by banks in Luxembourg as a business day (except for Christmas eve) and such other days as the directors of the Company may decide. As the Target Fund invests a substantial amount of its assets outside the European Union, the Management Company may also take into account whether the relevant local exchanges are open, and may elect to treat such closures as non-business day) other than any day declared as a non-dealing day by the directors of the Company; and

Investors are advised to read this First Supplementary Information Memorandum dated 8 February 2024 together with the Information Memorandum dated 22 January 2019.

(b) any day falling within a period of suspension of subscriptions, redemptions and conversions and/or such other day determined by the directors of the Company to be a day when the Target Fund is open for dealing.

5. **Insertion of the definition of "ex-distribution date" in "Chapter 2 – Definitions" on page 3 of the Information Memorandum**

The definition of "ex-distribution date" is hereby inserted after the definition of "EUR (Hedged) Class" as follows:

ex-distribution date	means the next Business Day after the date on which income distribution of the Fund is declared.

6. **Amendment to the definition of "Manager/ Maybank AM" in "Chapter 2 – Definitions" on page 3 of the Information Memorandum**

The definition of "Manager/ Maybank AM" is hereby deleted in its entirety and replaced with the following:

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

7. **Amendment to the definition of "Sophisticated Investor" in "Chapter 2 – Definitions" on pages 4 – 5 of the Information Memorandum**

The definition of "Sophisticated Investor" is hereby deleted in its entirety and replaced with the following:

Sophisticated Investor

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-ended 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 laws unless otherwise determined by the SC;

(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, or total net joint assets with his or her spouse, exceeding RM3 million or its equivalent in foreign currencies, excluding the value of the individual's primary residence;
   (ii) who has a gross annual income exceeding RM300,000 or its equivalent in foreign currencies in the preceding twelve months;
   (iii) who jointly with his or her spouse, has a gross annual income exceeding RM400,000 or its equivalent in foreign currencies in the preceding twelve months; or
   (iv) whose total net personal investment portfolio or total net joint investment portfolio with his or her spouse, in any capital market products

exceeding RM1 million or its equivalent in foreign currencies;

(q) any person who acquires the unlisted capital market products where the consideration is not less than two hundred and fifty thousand ringgit 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.

8. Amendment to the definition of "Trustee" in "Chapter 2 – Definitions" on page 5 of the Information Memorandum

The definition of "Trustee" is hereby deleted in its entirety and replaced with the following:

Trustee	means RHB Trustees Berhad (Registration No.: 200201005356 (573019-U)).

9. Amendment to Mode of Distribution in "Chapter 3 – Fund's Details" on page 8 of the Information Memorandum

The information on the mode of distribution is hereby deleted in its entirety and replaced with the following:

Mode of Distribution	You may elect to either receive income payment via cash payment mode or reinvestment mode. If you did not elect the mode of distribution, all income distribution will be automatically reinvested into additional Units in the Fund. 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 7 Business Days from the ex-distribution date). All bank charges for the electronic payment will be borne by the Unit Holders. The transfer charges will be deducted directly from the transferred amount before being paid to the Unit Holders' bank account. *Notes:* *(1) If the bank transfer remained unsuccessful and unclaimed for 6 months, the unclaimed income distribution will be reinvested into the Fund within 30 Business Days after the expiry of the 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.*

Investors are advised to read this First Supplementary Information Memorandum dated 8 February 2024 together with the Information Memorandum dated 22 January 2019.

	(2) *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.*

10. <u>Amendment to Reinvestment Mode in "Chapter 3 – Fund's Details" on page 8 of the Information Memorandum</u>

The information on the reinvestment mode is hereby deleted in its entirety and replaced with the following:

Reinvestment Mode	For Unit Holders who elect to reinvest the distribution of income in additional Units, we will create such Units based on the NAV per Unit* at the income reinvestment date (which is within 7 Business Days from the ex-distribution date). **There will be no cost to Unit Holders for reinvestments in new additional Units.*

11. <u>Amendment to Minimum Redemption of Units and Frequency of Redemption in "Chapter 5 – Transaction Details" on page 13 of the Information Memorandum</u>

The information on the minimum redemption of Units and frequency of redemption is hereby deleted in its entirety and replaced with the following:

Minimum Redemption of Units^ and Frequency of Redemption	1,000 Units for redemption and no limit to the frequency of redemption for this Fund. If a Unit Holder's holdings, after a redemption request, are below the minimum Unit holdings, full redemption will be initiated.

12. <u>Amendment to Transaction Details in "Chapter 5 – Transaction Details" on page 13 of the Information Memorandum</u>

The note to the minimum initial investment, minimum additional investment, minimum balance of Units and minimum redemption of Units is hereby deleted in its entirety and replaced with the following:

^ or such other lower amount or number of Units (as the case may be) as may be decided by us from time to time.

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

Investors are advised to read this First Supplementary Information Memorandum dated 8 February 2024 together with the Information Memorandum dated 22 January 2019.

13. **<u>Amendment to Switching Facility in "Chapter 5 – Transaction Details" on page 13 of the Information Memorandum</u>**

The information on the switching facility is hereby deleted in its entirety and replaced with the following:

Switching Facility	You are permitted to switch: (i) from and to other funds managed by us; or (ii) between Classes, provided that both funds or Classes are denominated in the same currency. Switching is treated as a withdrawal from 1 fund or Class and an investment into another fund or Class. 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 or Class 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. If you switch from a fund or a Class with a lower sales charge to a fund or a Class with a higher sales charge, you need to pay the difference in sales charge between the sales charge of these 2 funds or Classes in addition to the switching fee. If you switch from a fund or a Class with higher sales charge to a fund or a Class with a lower sales charge, you do not need to pay the difference in sales charge between these funds or Classes. We reserve the right to vary the terms and conditions for switching from time to time, which shall be communicated to you in writing. *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.*

14. **<u>Amendment to Cooling-off Period in "Chapter 5 – Transaction Details" on page 13 of the Information Memorandum</u>**

The information on the cooling-off period is hereby deleted in its entirety and replaced with the following:

Investors are advised to read this First Supplementary Information Memorandum dated 8 February 2024 together with the Information Memorandum dated 22 January 2019.

Cooling-off Right	Cooling-off right is not applicable for this Fund.

15. <u>Amendment to Dealing Cut-Off Time for Subscription, Redemption and Switching of Units in "Chapter 5 – Transaction Details" on page 14 of the Information Memorandum</u>

The information on the dealing cut-off time for subscription, redemption and switching of Units is hereby deleted in its entirety and replaced with the following:

Dealing Cut-Off Time for Subscription, Redemption and Switching of Units	The dealing cut-off time shall be at **4.00 p.m.** on a Business Day. 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. *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.*

16. <u>Amendment to Subscription of Units in "Chapter 5 – Transaction Details" on page 14 of the Information Memorandum</u>

The information on the subscription of Units is hereby deleted in its entirety and replaced with the following:

Subscription of Units	Subscription request/application can be made on any **Business Day**. There is no restriction on the frequency of subscription. 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. *Note: Our distributors may set an earlier cut-off time for receiving requests/applications in respect of subscription of Units. Please check with the*

Investors are advised to read this First Supplementary Information Memorandum dated 8 February 2024 together with the Information Memorandum dated 22 January 2019.

	respective distributors for their respective cut-off time.

17. **Amendment to Redemption of Units and Payment of Redemption Proceeds in "Chapter 5 – Transaction Details" on page 14 of the Information Memorandum**

The information on the redemption of Units and payment of redemption proceeds is hereby deleted in its entirety and replaced with the following:

Redemption of Units and Payment of Redemption Proceeds	Redemption request/application can be made on any **Business Day**. There is no restriction on the frequency of redemption. 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 cancelled based on the NAV per Unit as at the next valuation point after the request for redemption of Units is received by us. We will pay the redemption proceeds to Unit Holders within fourteen (14) days from the day the redemption request/application is received by us and provided that all documentations are complete and verifiable. Any redemption request/application received or deemed to have been received by us after the cut-off time would be considered as being transacted on the next Business Day. However, in the event that the redemption requests/applications received by us on a Business Day constitutes 20% of the Fund's NAV or exceeds USD500,000 in aggregate in a single Business Day (whichever is lower), the payment of redemption proceeds will be made to the Unit Holders within thirty (30) days after the redemption request/application is received by us. For partial redemption, the minimum Unit holdings remaining in the respective Classes must always be maintained. If the remaining Unit holdings is less than the minimum Unit holdings after a redemption request, full redemption will be initiated. Transaction costs such as charges for electronic payments, if any, will be borne by the Unit Holders and set-off against the redemption proceeds. We shall remit the redemption proceeds to the bank account held in the name of the Unit Holder(s).

Investors are advised to read this First Supplementary Information Memorandum dated 8 February 2024 together with the Information Memorandum dated 22 January 2019.

	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.

18. <u>Amendment to Selling Price in "Chapter 7 – Pricing Policy" on pages 17 - 18 of the Information Memorandum</u>

The information on the selling price is hereby deleted in its entirety and replaced with the following:

Selling Price	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. <u>Calculation of Selling Price</u> **Illustration – Sale of Units** ***Example:*** If you wish to invest USD10,000.00 in USD Class before 4.00 p.m. on any Business Day, and if the sales charge is 5.00% of the NAV per Unit of the USD Class, the total amount to be paid by you and the number of Units issued to you will be as follows: Assuming that the NAV per Unit for the USD Class at the end of a Business Day = USD1.0000. $\text{Sales charge incurred} = \dfrac{\text{Investment amount}}{1 + \text{sales charge (\%)}} \times \text{sales charge (\%)}$ $= \dfrac{\text{USD10,000}}{1 + 5.00\%} \times 5.00\%$ $=$ USD476.19 Net investment amount = Investment amount – sales charge = USD10,000.00 – USD476.19 = USD9,523.81 Units credited to investor = Net investment amount / NAV per Units = USD9,523.81 / USD1.0000 = 9,523.81 Units

Investors are advised to read this First Supplementary Information Memorandum dated 8 February 2024 together with the Information Memorandum dated 22 January 2019.

19. Amendment to Redemption Price in "Chapter 7 – Pricing Policy" on page 18 of the Information Memorandum

The information on the redemption price is hereby deleted in its entirety and replaced with the following:

Redemption Price	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). We do not impose any redemption charge on the redemption of Units by the Unit Holders. Calculation of Selling Price **Illustration – Redemption of Units** ***Example:*** If you wish to redeem 10,000.00 Units from USD Class before 4.00 p.m. on any Business Day, and there is no redemption charge imposed, the total amount to be paid to you will be as follows: Assuming that the NAV per Unit for the USD Class at the end of a Business Day = USD1.0000. Amount redeemed would be: 10,000 Units x USD1.0000 = USD10,000.00 Redemption charge would be: 0% x USD10,000 = **USD0.00** The total amount to be paid to the Unit Holder will be USD10,000 – USD0.00 = **USD10,000.00** Therefore, the Unit Holder will receive **USD10,000.00** as redemption proceeds.

[The remainder of this page is intentionally left blank]

20. Amendment to "Chapter 8 – Valuation Policy and Valuation Basis" on page 19 of the Information Memorandum

The information on Computation of NAV and NAV per Unit is hereby inserted immediately after Valuation Point as follows:

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 (USD)	**MYR Class (USD)**	**MYR (Hedged) Class (USD)**	**USD Class (USD)**	**EUR (Hedged) Class (USD)**	**AUD (Hedged) Class (USD)**	**SGD (Hedged) Class (USD)**
	Value of the Fund	101,500,000.00						
Add:	Other assets (including cash) & income	200,000.00						
Less:	Liabilities	100,000.00						
	NAV of the Fund before deducting management fee and trustee fee for the day	101,600,000.00						
	Multi class ratio^	**100%**	**50%**	**10%**	**10%**	**10%**	**10%**	**10%**
	NAV of the Class before deducting management fee and trustee fee for the day		50,800,000.00	10,160,000.00	10,160,000.00	10,160,000.00	10,160,000.00	10,160,000.00

Investors are advised to read this First Supplementary Information Memorandum dated 8 February 2024 together with the Information Memorandum dated 22 January 2019.

Less:	Management fee for the day		(50,800,000 x 1.80% / 365 days)	(10,160,000 x 1.80% / 365 days)	(10,160,000 x 1.80% / 365 days)	(10,160,000 x 1.80% / 365 days)	(10,160,000 x 1.80% / 365 days)	(10,160,000 x 1.80% / 365 days)
		5,010.41	2,505.21	501.04	501.04	501.04	501.04	501.04
Less	Trustee fee for the day		(50,800,000 x 0.02% / 365 days)	(10,160,000x 0.02% / 365 days)	(10,160,000 x 0.02% / 365 days)	(10,160,000x 0.02% / 365 days)	(10,160,000x 0.02% / 365 days)	(10,160,000x 0.02% / 365 days)
		55.69	27.84	5.57	5.57	5.57	5.57	5.57
	Total NAV (USD)	101,594,933.90	50,797,466.95	10,159,493.39	10,159,493.39	10,159,493.39	10,159,493.39	10,159,493.39

^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 200,000,000 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 (USD)	**MYR Class (USD)**	**MYR (Hedged) Class (USD)**	**USD Class (USD)**	**EUR (Hedged) Class (USD)**	**AUD (Hedged) Class (USD)**	**SGD (Hedged) Class (USD)**
	NAV	101,594,933.90	50,797,466.95	10,159,493.39	10,159,493.39	10,159,493.39	10,159,493.39	10,159,493.39
Divide:	Units in circulation	200,000,000	100,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
	NAV per Unit of the Class (USD)		0.5080*	0.5080*	0.5080*	0.5080*	0.5080*	0.5080*

Investors are advised to read this First Supplementary Information Memorandum dated 8 February 2024 together with the Information Memorandum dated 22 January 2019.

	Conversion to MYR (at USD 1.00 : RM 4.50 exchange rate)		RM2.2860*	RM2.2860*				
	Conversion to EUR (at USD 1.00 : EUR 0.75 exchange rate)					EUR0.3810*		
	Conversion to AUD (at USD 1.00 : AUD 1.50 exchange rate)						AUD0.7620*	
	Conversion to SGD (at USD 1.00 : SGD 1.40 exchange rate)							SGD0.7112*
	**The NAV per Unit of each Class will be rounded up to 4 decimal places for the purposes of publication of the NAV per Unit.*							

[The remainder of this page is intentionally left blank]

21. Amendment to Valuation of Investment in “Chapter 8 – Valuation Policy and Valuation Basis” on page 19 of the Information Memorandum

The information on the valuation bases in respect of money market instruments is hereby deleted in its entirety and replaced with the following:

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

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

For investments in money market instruments with remaining term to maturity of not more than 90 days at the time of acquisition, such instruments are valued each day based on amortised cost. The risk of using amortised cost accounting is the mispricing of the money market instruments. We will monitor the valuation of such 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%.

22. Amendment to “Chapter 9 – Parties to the Fund” on page 20 of the Information Memorandum

The information on the Manager is hereby deleted in its entirety and replaced with the following:

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

23. Amendment to “Chapter 9 – Parties to the Fund” on page 20 of the Information Memorandum

The information on the designated fund manager is hereby deleted in its entirety and replaced with the following:

Designated Fund Manager	Syhiful Zamri bin Abdul Azid Syhiful is the Chief Investment Officer of the Manager and his profile is available on our website at https://maybank-am.com.my/key-people.

Investors are advised to read this First Supplementary Information Memorandum dated 8 February 2024 together with the Information Memorandum dated 22 January 2019.

24. **Amendment to "Chapter 12 – Customer Information Service" on pages 22 - 23 of the Information Memorandum**

The details of the Complaints Bureau, FIMM under sub-paragraph (i) is hereby deleted in its entirety and replaced with the following:

(i) Complaints Bureau, FIMM via:

- Tel No: 03 – 7890 4242
- email: complaints@fimm.com.my
- Online complaint form: www.fimm.com.my
- Letter: Complaints Bureau
  Legal & Regulatory Affairs
  Federation of Investment Managers Malaysia
  19-06-1, 6th Floor Wisma Tune
  No. 19, Lorong Dungun
  Damansara Heights
  50490 Kuala Lumpur.

25. **Insertion of a new "Chapter 14 – Conflict of Interests and Related Party Transactions" on page 36 of the Information Memorandum**

A new Chapter 14 – Conflict of Interests and Related Party Transactions is inserted immediately after Chapter 13 – Appendix as follows:

As at 31 December 2023, 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 31 December 2023:

Name of Party	Name of Related Party and Nature of Relationship	Existing / Potential Related Party Transaction
The Manager	Maybank. The Manager is wholly-owned by Maybank Asset Management Group Berhad ("MAMG"). Maybank is a substantial shareholder of MAMG.	Distributor: Maybank has been appointed as one of the Manager's institutional unit trust scheme advisers. Delegate: The Manager has delegated its back office functions (i.e. the fund accounting and valuation function and maintenance of the register of Unit Holders) to Maybank Securities Solutions which is a unit within Maybank.
	MAMG.	Delegate:

Investors are advised to read this First Supplementary Information Memorandum dated 8 February 2024 together with the Information Memorandum dated 22 January 2019.

	The Manager is wholly-owned by MAMG.	The Manager has delegated its back office functions (i.e. finance performance attribution, administration, legal, compliance, corporate secretarial services, strategy and project management office and risk management) to MAMG.
	Maybank Shared Services Sdn Bhd. Maybank Shared Services Sdn Bhd is wholly-owned by Maybank.	Delegate: The Manager has delegated its back office function (i.e. information technology) to Maybank Shared Services Sdn Bhd.

[The remainder of this page is intentionally left blank]

26. Insertion of a new "Chapter 15 – Tax Adviser's Letter" on page 36 of the Information Memorandum

A new Chapter 15 – Tax Adviser's Letter is inserted immediately after Chapter 14 – Conflict of Interests and Related Party Transactions as follows:

EY
Building a better working world

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

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

Taxation adviser's letter in respect of the taxation
of the unit trust fund and the unit holders
(prepared for inclusion in this First Supplementary Information Memorandum)

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

5 January 2024

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

Dear Sirs

Taxation of the unit trust fund and unit holders

This letter has been prepared for inclusion in this First Supplementary Information Memorandum in connection with the offer of units in the unit trust known as MAMG Dynamic High Income 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.

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.

A member firm of Ernst & Young Global Limited

EY
Building a better working world

The Board of Directors
Maybank Asset Management Sdn Bhd
5 January 2024

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

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

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

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

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

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

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

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

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

The Board of Directors
Maybank Asset Management Sdn Bhd
5 January 2024

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**

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

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

  c) interest from Bon Simpanan Malaysia issued by Bank Negara Malaysia;

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

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

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

  g) 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.

---

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

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

EY
Building a better working world

The Board of Directors
Maybank Asset Management Sdn Bhd
5 January 2024

Foreign-sourced income

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

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

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

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

Gains from the realisation of investments

Pursuant to 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[7] are to be treated as a class of income. Paragraph 38 of Schedule 6 of the MITA, introduced via the Finance Act, then provides an income tax exemption on gains or profits from the disposal of a capital asset situated in Malaysia, other than:

[4] "Cash" in this context is defined as banknotes, coins and cheques.
[5] "Electronic funds transfer" means bank transfers (e.g., credit or debit transfers), payment cards (debit card, credit card and charge card), electronic money, privately-issued digital assets (e.g., crypto-assets, stablecoins) and central bank digital currency.
[6] "Qualifying person" in this context means a person resident in Malaysia who is:
(a) An individual who has dividend income received in Malaysia from outside Malaysia in relation to a partnership business in Malaysia;
(b) A limited liability partnership which is registered under the Limited Liability Partnerships Act 2012; or
(c) A company which is incorporated or registered under the Companies Act 2016.
[7] "Capital asset" means movable or immovable property including any rights or interest thereof.

(i) Disposal of shares of a company incorporated in Malaysia not listed on the stock exchange[8]; and
(ii) Disposal of shares under Section 15C of the MITA, which was introduced via the Finance Act, Section 15C deems gains or profits from the disposal of shares in a company incorporated outside Malaysia ("foreign company") to be derived from Malaysia and hence subject to Malaysian income tax, where the foreign company directly or indirectly owns real property in Malaysia exceeding certain thresholds, as determined based on the parameters of Section 15C

As such, capital assets that fall within the scope of charge of the MITA are as follows:

a) Capital assets situated in Malaysia - Shares of a company incorporated in Malaysia not listed on the stock exchange and shares in foreign incorporated companies deriving value from real property in Malaysia.
b) Capital assets situated outside Malaysia - All capital assets, not limited to shares.

Gains from disposal of capital assets situated outside Malaysia will only be subject to tax when the gains are received in Malaysia.

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], a trust body is exempted from the payment of income tax in respect of any gains or profits received from the disposal of shares of a company incorporated in Malaysia not listed on the stock exchange. This exemption applies for such disposals from 1 January to 29 February 2024.

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 acquired before 1 January 2024	
• On chargeable income of the disposal	10%
• On gross disposal price	2%
B. Disposal of capital assets situated in Malaysia which was acquired after 1 January 2024	
• On chargeable income of the disposal	10%
C. Disposal of capital assets situated outside Malaysia	
• On chargeable income of the disposal	24% (prevailing tax rate of a unit trust)

[8] "stock exchange" has the meaning assigned to it in the Capital Markets and Services Act 2007

The Board of Directors
Maybank Asset Management Sdn Bhd
5 January 2024

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[9] provided they fall within the scope of service tax (i.e. are provided by a "taxable person", who exceeds the required annual threshold (in most cases RM 500,000 per annum) and the services qualify as "taxable services").

Taxation of unit holders

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

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

1. taxable distributions; and

2. non-taxable and exempt distributions.

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

[9] Pursuant to Service Tax Regulations 2018, the service tax rate is at 6%. It was proposed in Budget 2024 that the service tax rate be increased from 6% to 8% effective from 1 March 2024.

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.

   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. 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:

Investors are advised to read this First Supplementary Information Memorandum dated 8 February 2024 together with the Information Memorandum dated 22 January 2019.

Unit holders	Malaysian income tax rates
Malaysian tax resident:	
• Individual and non-corporate unit holders (such as associations and societies)	• Progressive tax rates ranging from 0% to 30%
• Co-operatives[10]	• Progressive tax rates ranging from 0% to 24%
• Trust bodies	• 24%
• Corporate unit holders	
(i) A company with paid-up capital in respect of ordinary shares of not more than RM2.5 million (at the beginning of the basis period for the year of assessment) and gross income from a source or sources consisting of a business not exceeding RM50 million for the basis period for the year of assessment[11 12]	• First RM150,000 of chargeable income @ 15%[13] • Next RM450,000 of chargeable income @ 17% • Chargeable income in excess of RM600,000 @ 24%

[10] 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.

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

[12] 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.

[13] 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.

Investors are advised to read this First Supplementary Information Memorandum dated 8 February 2024 together with the Information Memorandum dated 22 January 2019.

The Board of Directors
Maybank Asset Management Sdn Bhd
5 January 2024

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

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

Gains from sale of units

Gains arising from the 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.

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.

****

Investors are advised to read this First Supplementary Information Memorandum dated 8 February 2024 together with the Information Memorandum dated 22 January 2019.

EY
Building a better working world

The Board of Directors
Maybank Asset Management Sdn Bhd
5 January 2024

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

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

Yours faithfully
Ernst & Young Tax Consultants Sdn Bhd

Bernard Yap
Partner

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

Responsibility Statements

This Info Memo has been seen and approved by the directors of Maybank 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 Info Memo has been deposited with the Securities Commission Malaysia. The Securities Commission Malaysia will not be liable for any non-disclosure on the part of the Manager and takes no responsibility for the contents of this Info Memo, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon the whole or any part of the contents of this Info Memo.

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 Info Memo that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Info Memo or the conduct of any other person in relation to 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.

TABLE OF CONTENTS

1. CORPORATE DIRECTORY

MANAGER	Maybank Asset Management Sdn Bhd (Company No. 421779-M)
REGISTERED OFFICE	5th Floor, Tower A Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No: 03 - 2297 7870
BUSINESS OFFICE	Level 12, Tower C Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No: 03 - 2297 7888 Fax No: 03 – 2715 0071
TRUSTEE	RHB Trustees Berhad (Company No. 573019-U)
REGISTERED OFFICE	Level 10, Tower One RHB Centre Jalan Tun Razak 50400 Kuala Lumpur
BUSINESS OFFICE	Level 11, Tower Three RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Tel No: 03 – 9280 5933 Fax No: 03 – 9280 5934

2. DEFINITIONS

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

2010 Law	means the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended, modified or supplemented from time to time.
Act/CMSA	means the Capital Markets and Services Act 2007, including all amendments thereto and all regulations, rules and guidelines issued in connection therewith.
AUD	means Australian Dollar.
AUD (Hedged) Class	represents a Class denominated in AUD which seeks to reduce the effect of currency fluctuations between the currency of the Class and the base currency of the Fund.
BlackRock Global Funds / the Company	means BlackRock Global Funds, a public limited company (*société anonyme*) established under the laws of the Grand Duchy of Luxembourg as an open ended variable capital investment company (*société d'investissement à capital variable*). The Company has been established on 14 June 1962 and its registration number in the Registry of the Luxembourg Trade and Companies Register is B6317.
Bursa Malaysia	means the stock exchange managed and operated by Bursa Malaysia Securities Berhad (Company No. 635998-W).
Business Day	means a day on which Bursa Malaysia is open for trading. We may declare a certain Business Day as a non-Business Day if that day is not a dealing day of the Target Fund. * A dealing day of the Target Fund is: (a) any business day (i.e., a day normally treated by banks in Luxembourg as a business day (except for Christmas eve) and such other days as the directors of the Company may decide. As the Target Fund invests a substantial amount of its assets outside the European Union, the Management Company may also take into account whether the relevant local exchanges are open, and may elect to treat such closures as non-business day) other than any day declared as a non-dealing day by the directors of the Company; and (b) any day falling within a period of suspension of subscriptions, redemptions and conversions and/or such other day determined by the directors of the Company to be a day when the Target Fund is open for dealing.
Class	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.
CSSF	refers to Commission de Surveillance du Secteur Financier (Luxembourg supervisory authority).
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.

EUR	means Euro.
EUR (Hedged) Class	represents a Class denominated in EUR which seeks to reduce the effect of currency fluctuations between the currency of the Class and the base currency of the Fund.
Forward Pricing	means the Net Asset Value per Unit for the Fund calculated at the next valuation point after a purchase request or a redemption request, as the case may be, is received by us.
Fund/MDHIF	means the MAMG Dynamic High Income Fund.
Guidelines	means the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework including all amendments and/or revision thereto issued by the SC and any other relevant guidelines issued by the SC.
Info Memo	means this information memorandum of the Fund.
Investment Adviser	refers to BlackRock Investment Management (UK) Limited.
LPD	means latest practicable date as at 1 November 2018.
Management Company	refers to BlackRock (Luxembourg) S.A.
Manager/ Maybank AM	means Maybank Asset Management Sdn Bhd (421779-M).
MYR/ RM	means Ringgit Malaysia.
MYR Class	represents a Class denominated in MYR.
MYR (Hedged) Class	represents a Class denominated in MYR which seeks to reduce the effect of currency fluctuations between the currency of the Class and the base currency of the Fund.
NAV per Unit	means the NAV of the relevant Class divided by the total number of Units in circulation of such Class at the valuation point.
Net Asset Value or NAV	means the total value of the Fund's assets minus its liabilities at the valuation point.
OTC	means over-the-counter.
Redemption Price	means the price payable by us to a Unit Holder pursuant to a redemption request by the Unit Holder and will be the NAV per Unit of the Fund. The Redemption Price shall be exclusive of the redemption charge (if any).
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 of the Fund. The Selling Price shall be exclusive of the sales charge.
SGD	means Singapore Dollar.
SGD (Hedged) Class	represents a Class denominated in SGD which seeks to reduce the effect of currency fluctuations between the currency of the Class and the base currency of the Fund.

Sophisticated Investor means:

(a) an individual whose total net personal assets, or total net joint assets with his or her spouse, exceeds RM3 million or its equivalent in foreign currencies, excluding the value of the individual's primary residence;

(b) an individual who has a gross annual income exceeding RM300,000 or its equivalent in foreign currencies per annum in the preceding 12 months;

(c) an individual who, jointly with his or her spouse, has a gross annual income exceeding RM400,000 or its equivalent in foreign currencies per annum in the preceding 12 months;

(d) a corporation with total net assets exceeding RM10 million or its equivalent in foreign currencies based on the last audited accounts;

(e) a partnership with total net assets exceeding RM10 million or its equivalent in foreign currencies;

(f) a company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding RM10 million or its equivalent in foreign currencies;

(g) a corporation that is a public company under the Companies Act 2016 which is approved by the SC to be a trustee under CMSA and has assets under management exceeding RM10 million or its equivalent in foreign currencies;

(h) a pension fund approved by the Director General of Inland Revenue under Section 150 of the Income Tax Act 1967;

(i) a statutory body established by an Act of Parliament or an enactment of any State;

(j) Central Bank of Malaysia established under the Central Bank of Malaysia Act 2009;

(k) a holder of a capital markets services licence;

(l) an executive director or chief executive officer of a holder of a capital markets services licence;

(m) a unit trust scheme or a prescribed investment scheme;

(n) a closed-end fund approved by the SC;

(o) a licensed bank as defined in the Financial Services Act 2013 or a licensed Islamic bank as defined in the Islamic Financial Services Act 2013;

(p) a Labuan bank as defined under the Labuan Financial Services and Securities Act 2010;

(q) a licensed insurer as defined in the Financial Services Act 2013;

(r) an insurance licensee as defined in the Labuan Financial Services and Securities Act 2010;

(s) a takaful licensee as defined in the Labuan Islamic Financial Services and Securities Act 2010;

(t) a licensed takaful operator as defined in the Islamic Financial Services Act 2013;

(u) a private retirement scheme as defined in CMSA; and

	(v) such other investor(s) as may be permitted by the Securities Commission Malaysia from time to time and/or under the relevant guidelines for wholesale funds.
Target Fund	refers to BlackRock Global Funds - Dynamic High Income Fund.
Trustee	means RHB Trustees Berhad (Company No. 573019-U).
UCITS	means an Undertaking for Collective Investment in Transferable Securities.
UCITS Directive	means Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended.
Unit(s)	means a measurement of the right or interest of a Unit Holder in the Fund or the relevant Class, as the case may be.
Unit Holder(s)	means the person registered as a holder of a Unit or Units including persons jointly registered for the relevant Class. In relation to the Fund, means all the unit holders of every Class in the Fund.
U.S. (United States) Person(s)	means: (a) a U.S. citizen (including those who hold dual citizenship or a greencard holder); (b) a U.S. resident alien for tax purposes; (c) a U.S. partnership; (d) a U.S. corporation; (e) any estate other than a non-U.S. estate; (f) any trust if: (i) a court within the U.S. is able to exercise primary supervision over the administration of the trust; and (ii) one or more U.S. Persons have the authority to control all substantial decisions of the trust; (g) any other person that is not a non-U.S. Person; or (h) any definition as may be prescribed under the Foreign Account Tax Compliance Act 2010, as may be amended from time to time.
USD	means United States Dollar.
USD Class	represents a Class denominated in USD.

3. FUND'S DETAILS

3.1 Information of the Fund

<table>
<tr><th colspan="7">FUND'S DETAILS</th></tr>
<tr><td>The Fund</td><td colspan="6">MAMG Dynamic High Income Fund.</td></tr>
<tr><td>Fund Category</td><td colspan="6">Feeder fund (wholesale).</td></tr>
<tr><td>Base Currency</td><td colspan="6">USD.</td></tr>
<tr><td>Financial Year End</td><td colspan="6">31 March.</td></tr>
<tr><td>Initial Offer Period</td><td colspan="6">21 days from the launch date of this Info Memo.</td></tr>
<tr><td>Class</td><td>MYR Class</td><td>MYR (Hedged) Class</td><td>USD Class</td><td>EUR (Hedged) Class</td><td>AUD (Hedged) Class</td><td>SGD (Hedged) Class</td></tr>
<tr><td>Initial Offer Price</td><td>RM 1.00</td><td>RM 1.00</td><td>USD 1.00</td><td>EUR 1.00</td><td>AUD 1.00</td><td>SGD 1.00</td></tr>
<tr><td>Commencement Date</td><td colspan="6">The next Business Day after the end of the Initial Offer Period.</td></tr>
<tr><td>Deed</td><td colspan="6">The deed dated 8 November 2018.</td></tr>
<tr><td>Investment Objective</td><td colspan="6">The Fund aims to maximise investment returns by investing in the Target Fund.</td></tr>
<tr><td>Investor Profile</td><td colspan="6">The Fund is suitable for Sophisticated Investors who:
• seek a high level of income;
• seek to invest significantly in income producing assets such as fixed income transferable securities, including corporate and government issues which may be fixed and floating and may be investment grade, sub-investment grade or unrated, covered call options and preference shares; and
• are willing to adopt capital and income risk.</td></tr>
<tr><td>Risk Benchmark</td><td colspan="6">70% MSCI World Index and 30% Bloomberg Barclays Global Aggregate Bond Index USD Hedged. This is not a guaranteed return and is only a risk benchmark of the Fund's volatility.
Note: The Fund adopts the risk benchmark of the Target Fund. The risk benchmark is used to compare against both the risk (in standard deviation) of the Fund and the Target Fund. The Fund and the Target Fund aim to invest in a portfolio of securities which have a total risk level that are in line with or below the risk benchmark.</td></tr>
<tr><td>Asset Allocation</td><td colspan="6">➢ At least 90% of the Fund's NAV will be invested in the Target Fund.
➢ The remaining 2% - 10% of the Fund's NAV will be invested in liquid assets*.
* Liquid assets include but are not limited to fixed deposits and money market instruments.</td></tr>
</table>

FUND'S DETAILS	
Investment Strategy	The Fund seeks to achieve its investment objective by investing at least 90% of the Fund's NAV in I6 USD share class of the Target Fund. The Target Fund is a sub-fund of BlackRock Global Funds established and domiciled in Luxembourg and was launched on 6 February 2018. The Fund may employ currency hedging strategies by utilising currency forwards to fully or partially hedge the foreign currency exposure to manage the currency risk of the Classes other than MYR Class and USD Class. Although the Fund is passively managed, we will ensure proper and efficient management of the Fund so that the Fund is able to meet redemption requests by Unit Holders.
Temporary Defensive Position	We may adopt temporary defensive positions to protect the Fund's investments to respond to adverse market, political or economic conditions by holding up to all of the Fund's NAV in liquid assets, which include but are not limited to fixed deposits and money market instruments, that may be inconsistent with the Fund's principal investment strategy and asset allocation. As the temporary defensive positions are adopted at the Fund's level, our view on market outlook may differ from the view of the Investment Adviser. As a result, there is a risk that the Fund will not achieve its investment objective by adopting such defensive strategies. However, for all intents and purposes, we will resume the investment strategy to invest at least 90% of the Fund's NAV in the Target Fund as soon as practical.
Permitted Investments	The Fund is permitted under the Deed to invest in the following: • one collective investment scheme, which is the Target Fund; • money market instruments; • deposits; • derivatives (for hedging purposes); and • any other investment as permitted by the SC which is in line with the objective and asset allocation of the Fund.
Investment Restrictions and Limits	The Fund shall not invest in the following: • a fund-of-funds; • a feeder fund; and • any sub-fund of an umbrella scheme which is a fund-of-funds or a feeder fund.
Distribution Policy	Distribution, if any, will be incidental for the first financial year. Thereafter, distribution, if any, will be made on a quarterly basis. The source of income, if any, for the purpose of distribution shall be derived from the realised income and/or gain.

FUND'S DETAILS	
Mode of Distribution	Unit Holders may elect to either receive income payment via cash payment mode or reinvestment mode. If the Unit Holder did not elect the mode of distribution, all distribution of income will be automatically reinvested into additional Units in the Fund. Unit Holders who elect to receive income payment via cash payment mode would be paid by way of direct debit or telegraphic transfer into the Unit Holders' bank account on the income payment date (which is within ten (10) calendar days from the ex-distribution date). All bank charges for the telegraphic transfer will be borne by you. The transfer charges will be deducted directly from the transferred amount before being paid to your bank account.
Reinvestment Mode	For Unit Holders who elect to reinvest the distribution of income in additional Units, we will create such Units based on the NAV per Unit at the income reinvestment date (which is within ten (10) calendar days from the ex-distribution date).
Communication with Unit Holders	**Official Receipt and Statement of Investment** Each time a Unit Holder purchases Units or conducts any other transaction for the Fund, a confirmation advice is sent out to the Unit Holder by ordinary post. A computer generated statement will also be issued 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. **Unit Price** As the Fund has exposure to investments in foreign markets, the NAV per Unit for a particular Business Day will be published at www.maybank-am.com.my two (2) Business Day later. **Financial Reports** We will provide Unit Holders with a quarterly report and an audited annual report within two (2) months of the end of the period covered.

3.2. Information of the Target Fund

Name of the Target Fund	BlackRock Global Funds – Dynamic High Income Fund
Management Company	BlackRock (Luxembourg) S.A. (regulated by the CSSF)
Investment Adviser	BlackRock Investment Management (UK) Limited (regulated by the Financial Conduct Authority, United Kingdom)
Domicile	Grand Duchy of Luxembourg
Regulatory Authority	CSSF

Share Class	I6 USD share class
Date of Establishment of the Target Fund	6 February 2018
Date of Establishment of the Share Class	12 September 2018
Base Currency of the Target Fund	USD
Base Currency of the Share Class	USD
About the BlackRock Global Funds	The Company is a public limited company (*société anonyme*) established under the laws of the Grand Duchy of Luxembourg as an open ended variable capital investment company (*société d'investissement à capital variable*). The Company has been established on 14 June 1962 and its registration number in the Registry of the Luxembourg Trade and Companies Register is B6317. The Company has been authorised by the CSSF as an undertaking for collective investments in transferable securities pursuant to the provisions of Part I of the 2010 Law, as amended from time to time and is regulated pursuant to such law.
Information on the Management Company of the Target Fund	BlackRock Luxembourg S.A. ("Management Company") is a public limited company (*société anonyme*) established in 1988 under registration number B27689. The Management Company has been appointed by the Company to act as its management company. The Management Company is authorised to act as a fund management company in accordance with Chapter 15 of the 2010 Law. The Company has signed a management company agreement with the Management Company. Under this agreement, the Management Company is entrusted with the day-to-day management of the Company, with responsibility for performing directly or by way of delegation all operational functions relating to the Company's investment management, administration and the marketing of the funds.
Information on the Investment Adviser	The Management Company has delegated its investment management function of the Target Fund to BlackRock Investment Management (UK) Limited ("Investment Adviser"). The Investment Adviser provides advice and management in the areas of stock and sector selection and strategic allocation. Notwithstanding the appointment of the Investment Adviser, the Management Company accepts full responsibility to the Company for all investment transactions. BlackRock Investment Management (UK) Limited is a principal operating subsidiary of the BlackRock Group outside the US. It is regulated by the Financial Conduct Authority ("FCA") but the Company will not be a customer of BlackRock Investment Management (UK) Limited for the purposes of the FCA rules and will accordingly not directly benefit from the protection of those rules. The Investment Adviser is an indirect operating subsidiaries of BlackRock, Inc., the ultimate holding company of the BlackRock Group. The principal shareholder of BlackRock, Inc., is the PNC

	Financial Services Group, Inc., which is a US public company. The Investment Adviser forms part of the BlackRock Group.
Investment Objective	The Target Fund follows a flexible asset allocation policy that seeks to provide a high level of income.
Investment Strategy and Policy	In order to generate high levels of income, the Target Fund will seek diversified income sources across a variety of asset classes, investing significantly in income producing assets such as fixed income transferable securities, including corporate and government issues which may be fixed and floating and may be investment grade, sub-investment grade or unrated, covered call options and preference shares. The Target Fund will use a variety of investment strategies and may invest globally in the full spectrum of permitted investments including equities, equity-related securities, fixed income transferable securities, units of undertakings for collective investment, cash, deposits and money market instruments. Currency exposure is flexibly managed. As part of its investment objective, the Target Fund may invest up to 50% of its total assets in Asset-Backed Securities (ABS) and Mortgage-Backed Securities (MBS) whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Target Fund invests may use leverage to increase return to investors. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly. The Target Fund's exposure to distressed securities is limited to 10% of its total assets, its exposure to contingent convertible bonds is limited to 20% of its total assets and its exposure to structured notes qualifying as transferable securities (which may embed a derivative) is limited to 30% of its total assets. Where structured notes embed a derivative, the underlying instruments to such structured notes will be UCITS eligible investments. The Target Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. The Target Fund may have significant exposure to ABS, MBS and non-investment grade debt.
Permitted Investments and Investment Restrictions of the Target Fund	See Appendix of Section 13
Securities Financing Transactions relating to the Target Fund	See Appendix of Section 13
Specific Risks of the Target Fund	See Appendix of Section 13

Fees and Charges of the Target Fund	The fees and charges incurred by the Fund when investing in the Target Fund are as follows: Initial charge: Nil. Redemption fee: Nil. Annual management fee: 0.75% per annum of the net asset of the Target Fund. Distribution fee: Nil. Other fees charged by the Target Fund are as follows: Administration fee: Not exceeding 0.25% per annum of the net asset value of the I6 USD share class of the Target Fund which shall accrue daily and be payable monthly. The Administration Fee is used by the Management Company to meet all fixed and variable operating and administrative costs and expenses incurred by the Company, with the exception of the depositary fees, distribution fees, securities lending fees, any fees arising from borrowings (including for the avoidance of doubt any commitment fee that may be due to the lender), any costs relating to withholding tax reclaims (plus any taxes or interest thereon) and any taxes at an investment or Company level. These operating and administrative expenses include all third party expenses and other recoverable costs incurred by or on behalf of the Company from time to time, including but not limited to, fund accounting fees, transfer agency fees (including sub-transfer agency and associated platform dealing charges), all professional costs, such as consultancy, legal, tax advisory and audit fees, directors of the Company's fees (for those directors who are not employees of the BlackRock Group), travel expenses, reasonable out-of-pocket expenses, printing, publication, translation and all other costs relating to shareholder reporting, regulatory filing and licence fees, correspondent and other banking charges, software support and maintenance, operational costs and expenses attributed to the investor servicing teams and other global administration services provided by various BlackRock Group companies. **Impact on Fees and Charges of the Target Fund on the Costs of Investing in the Fund** Although there is no initial charge charged by the Target Fund, there are other fees and general expenses which will be charged to the Target Fund as mentioned above; therefore, Unit Holders are indirectly bearing the fees and expenses charged at the Target Fund level. ***Investors may be subjected to higher fees arising from the layered investment structure of a feeder fund.***

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 reserve the right to waive or reduce the fees and charges involved at our absolute discretion.

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						
Class	MYR Class	MYR (Hedged) Class	USD Class	EUR (Hedged) Class	AUD (Hedged) Class	SGD (Hedged) Class
Sales Charge	Up to 5.0% of the NAV per Unit. *Notes:* *(1) Investors may negotiate for a lower sales charge.* *(2) We reserve the right to waive or reduce the sales charge.* *(3) All sales charge will be rounded up to two (2) decimal places and will be retained by us.*					
Redemption Charge	We will not impose a redemption charge.					
Switching Fee	RM 10.00 per switch		USD 10.00 per switch	EUR 10.00 per switch	AUD 10.00 per switch	SGD 10.00 per switch
	Notes: *(1) We reserve the right to waive the switching fee.* *(2) In addition to the switching fee, the Unit Holder will have to pay the difference in sales charge when switching from a fund with lower sales charge to a fund with higher sales charge.*					
Transfer Fee	RM 10.00 per transfer		USD 10.00 per trans-fer	EUR 10.00 per transfer	AUD 10.00 per transfer	SGD 10.00 per transfer
	Note: We reserve the right to waive the transfer fee.					
Annual Management Fee	Up to 1.80% per annum of the NAV of each Class, calculated and accrued daily in the base currency of the Fund, USD, and payable monthly to us. *Note: The annual management fee is inclusive of the management fee of 0.75% of the net asset value charged by I6 USD share class of the Target Fund. There will be no double charging of management fee at the Fund level and the Target Fund level.*					
Annual Trustee Fee	Up to 0.02% per annum of the NAV of the Fund, subject to a minimum of RM6,000 per annum, calculated and accrued daily and payable monthly to the Trustee.					
Fund Expenses	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 as stated in the Deed.					

5. TRANSACTION DETAILS

TRANSACTION DETAILS						
Class	MYR Class	MYR (Hedged) Class	USD Class	EUR (Hedged) Class	AUD (Hedged) Class	SGD (Hedged) Class
Minimum Initial Investment^	RM 25,000		USD 10,000	EUR 10,000	AUD 10,000	SGD 10,000
Minimum Additional Investment^	RM 5,000		USD 5,000	EUR 5,000	AUD 5,000	SGD 5,000
Minimum Balance of Units^	5,000 Units		5,000 Units	5,000 Units	5,000 Units	5,000 Units
Minimum Redemption of Units^ and Frequency of Redemption	1,000 Units for redemption and no limit to the frequency of redemption for this Fund.					
^ or such other amount or number of Units as may be decided by us from time to time.						
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. *Note: 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.*					
Switching Facility	You are permitted to switch from and to other funds managed by us provided that both funds are denominated in the same currency. Switching will be made at the prevailing net asset value per unit of the fund to be switched from and the prevailing net asset value per unit of the intended fund to be switched to on a Business Day when the switching request is received and accepted by us, subject to availability and any terms and conditions imposed by the intended fund, if any. There is no restriction on the frequency of switching. Switching is treated as a withdrawal from one (1) fund and an investment into another fund. If you switch from a fund with a lower sales charge, to a fund with a higher sales charge, you need to pay the difference in sales charge between the sales charges of these two (2) funds in addition to the switching fee. If you switch from a fund with higher sales charge to a fund with a lower sales charge, and subsequently switches back to a fund with a higher sales charge similar to the first fund, the Unit Holder would need to pay the difference in sales charge between these funds unless waived by the Manager. Switching between Classes is not permitted.					
Cooling-off Period	Six (6) Business Days commencing from the date the application for Units is received by us.					

<table>
<tr><th colspan="2">TRANSACTION DETAILS</th></tr>
<tr><td>Dealing Cut-Off Time for Subscription, Redemption and Switching of Units</td><td>The dealing cut-off time shall be at 4.00 p.m. on a Business Day.

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.</td></tr>
<tr><td>Subscription of Units</td><td>Subscription request/application can be made on any Business Day. There are no restrictions on the frequency of subscription.

For any purchase application received via fax notification by us as well as cleared funds 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 request for purchase of Units is received and accepted by us. Any 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.</td></tr>
<tr><td>Redemption of Units and payment of Redemption Proceeds</td><td>Redemption request/application can be made on any Business Day.

For any redemption request/application received or deemed to have been received via fax notification by us on or before the cut-off time of 4.00 p.m. on any Business Day, the Units will be cancelled based on the NAV per Unit as at the next valuation point after the request for redemption of Units is received by us. We will pay the redemption proceeds to Unit Holders within fourteen (14) calendar days after the request to redeem is received by us. Any request/application received or deemed to have been received by us after the cut-off time would be considered as being transacted on the next Business Day.

However, in the event that the redemption request/ application constitutes 20% of the Fund’s NAV or exceeds USD500,000 in aggregate in a single day (whichever is lower), the redemption proceeds will be paid to the Unit Holders within thirty (30) calendar days.

For partial redemption, the minimum balance of Units remaining in the respective Classes must always be maintained. If the remaining balance of Units is less than the minimum balance of Units after a redemption request, we have the right to repurchase the entire investment or close the account of the Unit Holder and forward all the redemption proceeds to such Unit Holder without prior notice.

Transaction costs such as charges for telegraphic transfers, if any, will be borne by the Unit Holders and set-off against the redemption proceeds.

We shall remit the redemption proceeds to the bank account held in the name of the Unit Holder(s).</td></tr>
<tr><td colspan="2">For both application for and redemption of Units, we shall not be held responsible for any delay or loss incurred in the event of:
• Real Time Electronic Transfer of Funds and Securities (RENTAS) experiencing problems;
• Any remittance of redemption proceeds that does not correspond with the request promptly;
• Inaccurate details (including but not limited to identity card number and account number) provided by Unit Holders; or
• Circumstances beyond our control or the Trustee’s control.</td></tr>
</table>

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 Info Memo 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. their bankers, lawyers, stockbrokers or independent professional advisers for a better understanding of the risks.

6.1 General Risks of Investing in the Fund

GENERAL RISKS	
Market Risk	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.
Inflation Risk	This is the risk that your investments in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the nominal value of the investment in monetary terms has increased.
Liquidity Risk	Liquidity risk refers to the lack of ease which an investment can be liquidated at or near its fair value, depending on the volume traded on the market. It may occur when the Fund holds investments which are thinly traded, and if at the same time, the Fund experiences large redemptions, which in turn, would require the selling of investments of the Fund at a point in time when prices are unfavourable due to insufficient buyers in the market at the actual or desired prices. We may also be required to prematurely unwind our investments resulting in foregone profits, thus reducing the Fund's potential returns. The risk is mitigated by diversifying the investments of the Fund in a wide range of securities and avoiding securities with poor liquidity.
Non-Compliance Risk	This is the risk that we may not follow the provisions set out in this Info Memo or the Deed or the law, rules or guidelines that governs the Fund or our own internal procedures whether by oversight or by omission. This risk may also occur indirectly due to legal risk, which is a risk of circumstances from the imposition and/or amendment on the relevant regulatory frameworks, laws, rules, and other legal practices affecting the Fund. An act of non-compliance/ mismanagement of the Fund may lead to operational disruptions that could potentially be detrimental to the Fund. We aim to mitigate 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.
Loan Financing Risk	This risk occurs when Unit Holders take a loan to finance their investment. The inherent risk of investing with borrowed money includes Unit Holders being unable to service the loan repayments. In the event Units are used as collateral, the Unit Holder may be

GENERAL RISKS	
	required to top-up his or her 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 net asset value per Unit as compared to the net asset value per Unit at the point of purchase towards settling the loan.
Returns Are Not Guaranteed	Unit Holders should take note that by investing in the Fund, there is no guarantee of any income distribution or capital appreciation. Unlike fixed deposits which carry a specific rate of return, a unit trust fund does not provide a fixed rate of return.

6.2 Specific Risks of the Fund

SPECIFIC RISKS	
Currency Risk	As the base currency of the Fund is denominated in USD and the currency denomination of the Classes may be denominated in other than USD, the Classes not denominated in USD are exposed to currency risk. Any fluctuation in the exchange rates between USD and the currency denomination of the Class (other than USD Class) will affect the Unit Holder's investments in those Classes (other than USD Class). The impact of the exchange rate movement between the base currency of the Fund and the currency denomination of the Class (other than USD Class) may result in a depreciation of the Unit Holder's holdings as expressed in the base currency of the Fund. In order to manage currency risk, we may employ currency hedging strategies to fully or partially hedge the foreign currency exposure of the Class other than MYR Class and USD Class. However, every hedge comes with a cost and will be borne by the respective Class. Currency hedging may reduce the effect of the exchange rate movement for the Class being hedged (other than MYR Class and USD Class) but it does not entirely eliminate currency risk between the Class and the base currency of the Fund. The unhedged portion of the Class will still be affected by the exchange rate movements and it may cause fluctuation of NAV of the Class. You should note that if the exchange rate moves favourably, the Class (other than MYR Class and USD Class) will not benefit from any upside in currency movement due to the hedging strategy. There is no guarantee that the hedging will be successful and mismatches may occur between the currency position of the Fund and the Class being hedged.
Country risk	The investment of the Fund may be affected by risk specific to the country in which it invests in. Such risks include changes in a country's economic, social and political environment. The value of the assets of the Fund may also be affected by uncertainties such as currency repatriation restrictions or other developments in the law or regulations of the country in which the Fund invest in, i.e. Luxembourg, the domicile country of the Target Fund.
Concentration Risk	As the Fund invests at least 90% of its NAV in the Target Fund, it is subject to concentration risk as the performance of the Fund would be dependent on the performance of the Target Fund.
Investment Adviser risk	The Fund will invest in the Target Fund managed by a foreign asset management company. This risk refers to the risk associated with the Investment Adviser, which include:

SPECIFIC RISKS	
	i) the risk of non-adherence to the investment objective, strategy and policies of the Target Fund; ii) the risk of direct or indirect losses resulting from inadequate or failed operational and administrative processes and systems by the Investment Adviser; and iii) the risk that the Target Fund may underperform its benchmark due to poor investment decisions by the Investment Adviser.
Default risk	Default risk relates to the risk that an issuer of a 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 money market instruments. This could adversely affect the value of the Fund as 2%-10% of the NAV of the Fund will be invested in liquid assets which include money market instruments.
OTC Counterparty Risk	Should there be a downgrade in the credit rating of the over-the-counter derivatives' counterparty, we will evaluate the situation and reassess the creditworthiness of the counterparty. We will take the necessary steps in the best interest of the Fund.

6.3 Risk Management Strategy

RISK MANAGEMENT STRATEGY	
Risk Management Strategy and Technique	The risk management strategy and technique employed by the Fund is to adopt temporary defensive positions as disclosed in Section 3: Fund Details under the heading "Temporary Defensive Positions". In addition, we may, in consultation with the Trustee and subject to Unit Holders' approval, replace the Target Fund with another fund of a similar objective if, in our opinion, the Target Fund no longer meets the Fund's investment objective.

7. PRICING POLICY

PRICING POLICY	
Single Pricing Regime	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). Unit Holders would therefore purchase and redeem Units at NAV per Unit. The Selling Price and Redemption Price for each Unit are based on Forward Pricing.
Selling Price	The Selling Price of a Unit for a Class of the Fund is the NAV per Unit of the Class 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 Unit Holders in addition to the Selling Price for the Units purchased. Calculation of Selling Price **Illustration – Sale of Units** ***Example:***

PRICING POLICY	
	If an investor wishes to invest USD10,000.00 in USD Class of the Fund before 4.00 p.m on 1 September 2018 and if the sales charge is 5.00% of the NAV per Unit of the USD Class, the total amount to be paid by the investor and the number of Units issued to an investor will be as follows: Sales charge payable by an investor = 5.00% x 10,000.00 = **USD500.00** The total amount to be paid by an investor for his or her investment will therefore be: USD10,000.00 + USD500.00 = **USD10,500.00** Assuming that the NAV per Unit of the USD Class on 1 September 2018 = USD1.0000 The number of Units that will be issued to the investor will be: USD10,000.00 divided by USD1.0000 = **10,000.00 Units**
Redemption Price	The Redemption Price of a Unit for a Class of the Fund is the NAV per Unit of the Class at the next valuation point after the redemption request is received by us (Forward Pricing). We do not impose any redemption charge on the redemption of Units by the Unit Holders. Calculation of Redemption Price **Illustration – Redemption of Units** ***Example:*** If a Unit Holder wishes to redeem 10,000.00 Units from USD Class of the Fund before 4.00 p.m. on 1 September 2018 and there is no redemption charge imposed, the total amount to be paid to the Unit Holder will be as follows: Assuming that the NAV per Unit of the USD Class on 1 September 2018 = USD1.0000 Amount redeemed would be: 10,000 Units x USD1.000 = USD10,000.00 Redemption charge would be: 0% x USD10,000 = **USD0.00** The total amount to be paid to the Unit Holder will be USD10,000 – USD0.00 = **USD10,000.00** Therefore, the Unit Holder will receive **USD10,000.00** as redemption proceeds.
Incorrect Pricing	We shall ensure that the Fund and the Units of the Classes of the Fund are correctly valued and priced according to the Deed and all relevant laws. Where there is an error in the valuation and pricing of the Fund and/or Units, any incorrect valuation and pricing of the Fund and/or Units which is deemed to be significant will involve the reimbursement of money in the following manner: (i) by us to the Fund; or (ii) by the Fund to Unit Holders and/or the former Unit Holders.

PRICING POLICY	
	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 its equivalent in foreign currency) or more.

8. VALUATION POLICY AND VALUATION BASIS

VALUATION POLICY AND VALUATION BASIS	
Valuation Point	The Fund is valued once every Business Day after the close of the market in which the portfolio of the Fund is invested for the relevant day but not later than 5.00 p.m. on the next Business Day. The daily price of the Fund for a particular Business Day will not be published on the next day but will instead be published the next following day (i.e. the price will be two (2) days old). The valuation of the Fund will be done in the Fund's base currency, USD. All expenses, assets and cash denominated in currencies other than USD will be translated into USD for valuation purposes.
Valuation of Investment	The valuation bases of the permitted investments of the Fund are as follows: Collective Investment Schemes Investment in unquoted collective investment schemes are valued each day based on the last published price per share for that collective investment scheme. Money market instruments Investments in money market instruments are valued each day at cost, adjusted for amortisation of premium or accretion of discount over their par value at the time of acquisition, less provision for any diminution in value. For investments in commercial papers, such instruments are valued each day based on the price quoted by a bond pricing agency ("BPA") registered by the SC. Deposits Investments in deposits placed with financial institutions are valued each day by reference to the value of such investments and the interests accrued thereon for the relevant period. Derivatives 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 Conversion All the foreign assets of the Fund are translated on a daily basis to the base currency of the Fund, USD, 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 the Federation of Investment Managers Malaysia ("FiMM") or any relevant laws.

9. PARTIES TO THE FUND

PARTIES TO THE FUND	
The Manager	Maybank Asset Management Sdn Bhd: ➢ A wholly-owned subsidiary of Maybank Asset Management Group Berhad, which in turn is a subsidiary of Malayan Banking Berhad; ➢ A capital markets services license holder under the Act to carry out the business of fund management and dealing in securities (restricted to unit trust products); and ➢ Incorporated in 1997 and has over 19 years of experience in managing investments ranging from equities, fixed income securities, money market instruments to unit trust funds and wholesale funds mainly on behalf of corporations, institutions, insurance and takaful companies and individuals.
Our Role as the Manager	We are responsible for the day to day management of the Fund in accordance with, amongst others, the provisions of the Deed, the Act, 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: (a) selecting and managing investments of the Fund; (b) executing, supervising and valuing investments of the Fund; (c) conducting the sale and redemption of Units in the Fund; (d) issuing reports on the Fund's performance; (e) distributing income to Unit Holders; and (f) keeping proper records of the Fund.
Our Investment Team	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.
Designated Fund Manager	Abdul Razak bin Ahmad
The Trustee	RHB Trustees Berhad: ➢ Incorporated in Malaysia on 6 March 2002. ➢ Is registered as a trust company under the Trust Companies Act, 1949 and is also registered with the SC to conduct unit trust business. ➢ The principal activity of RHB Trustees Berhad is providing retail and corporate trustee services and has been in the trustee business since 2002.
Duties and Responsibilities of the Trustee	The Trustee's functions, duties and responsibilities are set out in the Deed. The general function, duties and responsibility of the Trustee include, but are not limited to, the following: a) acting as trustee and safeguarding the rights and interests of the Unit Holders; b) holding the assets of the Fund for the benefit of the Unit Holders; and c) exercising all the powers of a trustee and the powers that are incidental to the ownership of the assets of the Fund.

PARTIES TO THE FUND	
Trustee's Statement of Responsibility	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.
Trustee's Material Litigation and Arbitration	As at the 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.

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 its 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

The Manager, in accordance with the Deed, reserves the right to terminate the Fund if the Fund is left with no Unit Holders or where the Manager determines that it is in the best interest of the Unit Holder. The Manager, upon termination, shall notify the existing Unit Holders of the Fund 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 (if any), 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 Holders' meeting to terminate or wind up the Fund.

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 of the Fund or a particular class of Units (as the case may be), 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 show of hands every Unit Holder who is present in person or by proxy shall have one vote. On 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.

The quorum required for a meeting of Unit Holders of the Fund or a class of Units (as the case may be) is five (5) Unit Holders, whether present in person or by proxy, however:

(a) if the Fund or a class of Units (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 of Units (as the case may be) shall be two (2) Unit Holders, whether present in person or by proxy; or
(b) if the Fund or a class of Units (as the case may be) has only two (2) Unit Holders, the quorum required for a meeting of the Unit Holders of the Fund or a class of Units (as the case may be) shall be one (1) Unit Holder, whether present in person or by proxy.

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 of Units (as the case may be) at the time of the meeting.

11. 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 Info Memo.

12. 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.

Alternatively, Unit Holders can contact:

(i) Complaints Bureau, FIMM via:
- Tel No: 03 – 2092 3800
- Fax No: 03 – 2093 2700
- email: complaints@fimm.com.my
- Online complaint form: www.fimm.com.my

- Letter: Complaints Bureau
  Legal, Secretarial & Regulatory Affairs
  Federation of Investment Managers Malaysia
  19-06-1, 6th Floor Wisma Tune
  No. 19, Lorong Dungun
  Damansara Heights
  50490 Kuala Lumpur.

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

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

13. APPENDIX

13.1 Investment and Borrowing Powers and Restrictions

1. The investments of the Target Fund shall consist of:
   (a) transferable securities and money market instruments admitted to official listings on regulated stock exchanges in Member States of the European Union (the "EU"),
   (b) transferable securities and money market instruments dealt in on other regulated markets in Member States of the EU, that are operating regularly, are recognised and are open to the public,
   (c) transferable securities and money market instruments admitted to official listings on stock exchanges in any other country in Europe, Asia, Oceania, the American continents and Africa,
   (d) transferable securities and money market instruments dealt in on other regulated markets that are operating regularly, are recognised and open to the public of any other country in Europe, Asia, Oceania, the American continents and Africa,
   (e) recently issued transferable securities and money market instruments provided that the terms of the issue include an undertaking that application will be made for admission to the official listing on one of the stock exchanges as specified in 1(a) and (c) or regulated markets that are operating regularly, are recognised and open to the public as specified in 1(b) and (d) and that such admission is secured within a year of issue,
   (f) units of UCITS and/or other undertakings for collective investment ("UCIs") within the meaning of Article 1(2), points (a) and (b) of UCITS Directive, whether they are situated in a Member State or not, provided that:
      - such other UCIs are authorised under laws which provide that they are subject to supervision considered by CSSF to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured;

- the level of protection for shareholders in the other UCIs is equivalent to that provided for shareholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of UCITS Directive;
- the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;
- no more than 10% of the UCITS' or the other UCIs' assets (or of the assets of any sub-fund thereof, provided that the principle of segregation of liabilities of the different compartments is ensured in relation to third parties), whose acquisition is contemplated, can, according to their constitutional documents, be invested in aggregate in units of other UCITS or other UCIs;

(g) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in an EU Member State or, if the registered office of the credit institution is situated in a non-Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;

(h) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market; and/or financial derivative instruments dealt in OTC derivatives, provided that:

- the underlying consists of instruments described in subparagraphs 1(a) to (g) above and (i) below, financial indices, interest rates, foreign exchange rates or currencies, in which the Company may invest according to its investment objectives;
- the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF; and
- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative;

(i) money market instruments other than those dealt in on a regulated market, which fall under Article 1 of the 2010 Law, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:

- issued or guaranteed by a central, regional or local authority or central bank of an EU Member State, the European Central Bank, the EU or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong; or
- issued by an undertaking any securities of which are dealt in on regulated markets referred to in 1(a), (b) or (c) above; or
- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU law; or
- issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least €10 million and which presents and publishes its annual accounts in accordance with Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

2. Furthermore, the Target Fund may invest no more than 10% of its net assets in transferable securities and money market instruments other than those referred to in sub-paragraph 1 (a) to (i).

3. The Target Fund may acquire the units of other funds in the Company, UCITS and/or other UCIs referred to in paragraph 1(f). The Target Fund's aggregate investment in UCITS, other funds in the Company and other UCI's will not exceed 10% of its net assets in order that the Target Fund is deemed an eligible investment for other UCITS funds.
When the Target Fund has acquired shares of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in paragraph 6 below.

When the Target Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same investment manager or by any other company with which the investment manager is linked by common management or control, or by a substantial direct or indirect holding, no subscription or redemption fees may be charged to the Company on its investment in the units of such other UCITS and/or UCIs.

4. When the Target Fund invests (the "investor Target Fund") in shares of another fund in the Company (the "target fund"):
   - the target fund may not itself invest in the investor Target Fund;
   - the target fund may not invest more than 10% of its net assets in units of another fund of the Company (as set out in paragraph 3 above);
   - any voting rights which may be attached to the shares of the target fund will be suspended for the investor Target Fund for the duration of the investment;
   - any management fees or subscription or redemption fees payable in relation to the target fund may not be charged to the investor Target Fund; and
   - the net asset value of the shares of the target fund may not be considered for the purpose of the requirement that the capital of the Company should be above the legal minimum as specified in the 2010 Law, currently €1,250,000.

5. The Target Fund may hold ancillary liquid assets.

6. The Target Fund may not invest in any one issuer in excess of the limits set out below:
   (a) Not more than 10% of the Target Fund's net assets may be invested in transferable securities or money market instruments issued by the same entity.
   (b) Not more than 20% of the Target Fund's net assets may be invested in deposits made with the same entity.
   (c) By way of exception, the 10% limit stated in the first paragraph of this section may be increased to:
      - a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by an EU Member State, by its local authorities, by a non-Member State or by public international bodies to which one or more Member States belong;
      - a maximum of 25% in the case of certain bonds when these are issued by a credit institution which has its registered office in an EU Member State and is subject by law to special public supervision designed to protect bond holders. In particular, sums deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest. When the Target Fund invests more than 5% of its net assets in the bonds referred to in this paragraph and issued by one issuer, the total value of these investments may not exceed 80% of the value of the net assets of the Target Fund.
   (d) The total value of the transferable securities or money market instruments held by the Target Fund in the issuing bodies in each of which it invests more than 5% of its net assets must not then exceed 40% of the value of its net assets.

This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision. The transferable securities and money market instruments limits referred to in the two indents of paragraph 6(c) above shall not be taken into account for the purpose of applying the limit of 40% referred to in this paragraph.

Notwithstanding the individual limits laid down in sub-paragraphs 6(a) to (d) above, the Target Fund may not combine:

- investments in transferable securities or money market instruments issued by a single entity; and/or
- deposits made with a single entity; and/or
- exposures arising from OTC derivative transactions undertaken with a single entity,

in excess of 20% of its net assets.

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the above mentioned restrictions.

The limits provided for in sub-paragraphs 6(a) to (d) above may not be combined, and thus investments in transferable securities or money market instruments issued by the same entity or in deposits or derivative instruments made with this entity carried out in accordance with paragraphs 6(a) to (d) shall under no circumstances exceed in total 35% of the net assets of the Target Fund.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/ EEC or in accordance with recognised international accounting rules, are regarded as a single entity for the purpose of calculating the investment limits mentioned in paragraphs 6(a) to (d) above.

The Target Fund may not invest cumulatively more than 20% of its net assets in transferable securities or money market instruments of the same group subject to restrictions in paragraph 6(a) and the three indents under paragraph 6(d) above.

Without prejudice to the limits laid down in paragraph 8 below, the limit of 10% laid down in paragraph 6(a) above is raised to a maximum of 20% for investment in equity and/or debt securities issued by the same body when the aim of the investment policy of the Target Fund is to replicate the composition of a certain equity or debt securities index which is recognised by the CSSF, on the following basis:

- the composition of the index is sufficiently diversified;
- the index represents an adequate benchmark for the market to which it refers;
- it is published in an appropriate manner;
- it is replicable;
- it is transparent, with the full calculation methodology and index performance published; and
- it is subject to independent valuation.

This limit is 35% where that proves to be justified by exceptional market conditions in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

By way of derogation, the Target Fund is authorised to invest up to 100% of its net assets in different transferable securities and money market instruments issued or guaranteed by an EU Member State, its local authorities, by another member state of the Organisation for Economic Co-operation and Development or public international bodies of which one or more EU Member States are members, provided that (i) such securities are part of at least six different issues and (ii) securities from any one issue do not account for more than 30% of the net assets of the Target Fund.

7. The Company may not invest in shares with voting rights enabling it to exercise significant influence over the management of the issuing body.

8. The Company may not:
   (a) acquire more than 10% of the shares with non-voting rights of one and the same issuer.
   (b) acquire more than 10% of the debt securities of one and the same issuer.
   (c) acquire more than 25% of the units of one and the same undertaking for collective investment.
   (d) acquire more than 10% of the money market instruments of any single issuer.

   The limits stipulated in paragraphs 8(b), (c) and (d) above may be disregarded at the time of acquisition if, at that time, the gross amount of debt securities or of the money market instruments, or the net amount of securities in issue cannot be calculated.

9. The limits stipulated in paragraphs 7 and 8 above do not apply to:
   (a) transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities;
   (b) transferable securities and money market instruments issued or guaranteed by a non-EU Member State;
   (c) transferable securities and money market instruments issued by public international institutions of which one or more EU Member States are members;
   (d) transferable securities held by the Target Fund in the capital of a company incorporated in a non-Member State investing its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the Target Fund can invest in the securities of issuing bodies of that state. This derogation, however, shall apply only if in its investment policy the company from the non-Member State complies with the limits laid down in Articles 43, 46 and 48(1) and (2) of the 2010 Law. Where the limits set in Articles 43 and 46 of the 2010 Law are exceeded, Article 49 shall apply mutatis mutandis; and
   (e) transferable securities held by the Company in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at shareholders' request exclusively on its or their behalf.

10. The Company may always, in the interest of the shareholders of the Target Fund, exercise the subscription rights attached to securities, which form part of its assets.

    When the maximum percentages stated in paragraphs 2 through 8 above are exceeded for reasons beyond the control of the Company, or as a result of the exercise of subscription rights, the Company must adopt, as a priority objective, sales transactions to remedy the situation, taking due account of the interests of the shareholders of the Target Fund.

11. The Target Fund may borrow to the extent of 10% of its total net assets (valued at market value) provided these borrowings are made on a temporary basis. However, the Company may acquire for the account of the Target Fund foreign currency by way of back-to-back loan. Any repayment of monies borrowed, together with accrued interest, and from 8 December 2017 any fees arising from the committed credit line (including for the avoidance of doubt any commitment fee that may be due to the lender), shall be paid out of the assets of the Target Fund. Any new funds will not automatically be subject to a credit line and will therefore be required to be added by way of a joinder process. This process includes, inter alia, any necessary due diligence being carried out by the lenders in order to approve the addition of the new funds. During this period, the Target Fund will not be subject to, or able to draw down on, any credit line. Furthermore, there is no guarantee that the addition of any new funds will be approved by the lenders, or that credit will be available to the Target Fund since the credit line is subject to availability (on an equitable allocation basis) between the Target Fund and other BlackRock funds participating in the credit

agreement. As such, certain funds may not be subject to the credit line and will not incur any fees with respect to same.

12. The Company may not grant credit facilities nor act as guarantor on behalf of third parties, provided that for the purpose of this restriction (i) the acquisition of transferable securities, money market instruments or other financial investments referred to in paragraphs 1(f), 1(h) and 9 above, in fully or partly paid form and (ii) the permitted lending of portfolio securities shall be deemed not to constitute the making of a loan.

13. The Company undertakes not to carry out uncovered sales transactions of transferable securities, money market instruments or other financial instruments referred to in paragraphs 1(f), 1(h) and 9 above; provided that this restriction shall not prevent the Company from making deposits or carrying out accounts in connection with financial derivatives instruments, permitted within the limits referred to above.

14. The Company's assets may not include precious metals or certificates representing them, commodities, commodities contracts, or certificates representing commodities.

15. The Company may not purchase or sell real estate or any option, right or interest therein, provided that the Company may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.

16. The Company will in addition comply with such further restrictions as may be required by the regulatory authorities in any country in which the shares of the Target Fund are marketed.

The Company shall take the risks that it deems reasonable to reach the assigned objective set for the Target Fund; however, it cannot guarantee that it shall reach its goals given stock exchange fluctuations and other risks inherent in investments in transferable securities.

Financial Techniques and Instruments

17. The Company will ensure that the global exposure of the underlying assets shall not exceed the total net value of the Target Fund. The underlying assets of index based derivative instruments are not combined to the investment limits laid down under paragraphs 1 to 4 above.

- When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the abovementioned restrictions.
- The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

13.2 Securities Lending Transaction

The Target Fund may conduct securities lending transactions in aggregate for up to 100% of the net asset value of the Target Fund. However, the expected proportion of the Target Fund that may be involved in securities lending transactions is up to 40% of the net asset value of the Target Fund.

The Company may enter into securities lending transactions provided that it complies with the following rules:

(a) the Company may lend securities either directly or through a standardised system organised by a recognised clearing institution or a lending program organised by a financial institution subject to prudential supervision rules which are recognised by the CSSF as equivalent to those laid down in EU law and specialised in this type of transactions;

(b) the borrower must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law;

(c) net exposures (i.e. the exposures of the Target Fund less the collateral received by the Target Fund) to a counterparty arising from securities lending transactions shall be taken into account in the 20% limit provided for in article 43(2) of the 2010 Law.

(d) as part of its lending transactions, the Company must receive collateral, the market value of which, shall, at all times, be equal to at least the market value of the securities lent plus a premium;

(e) such collateral must be received prior to or simultaneously with the transfer of the securities lent. When the securities are lent through an intermediary referred to under paragraph (a) above, the transfer of the securities lent may be effected prior to receipt of the collateral, if the relevant intermediary ensures proper completion of the transaction. The intermediary may, instead of the borrower, provide to the UCITS collateral in lieu of the borrower; and

(f) the Company must have the right to terminate any securities lending arrangement which it has entered into at any time or demand the return of any or all of the securities loaned.

Counterparties for securities lending transactions are selected based on a rigorous credit assessment and in-depth review at the individual legal entity level at the outset of the trading relationship. Credit assessments include an evaluation of the legal entity corporate and/or ownership structure, regulatory regime, track record, financial health and any external agency ratings, where applicable. The Company shall disclose the global valuation of the securities lent in the annual and semi-annual reports.

There are potential conflicts of interests in managing a securities lending program, including but not limited to: (i) BlackRock as lending agent may have an incentive to increase or decrease the amount of securities on loan or to lend particular securities in order to generate additional risk-adjusted revenue for BlackRock and its affiliates; and (ii) BlackRock as lending agent may have an incentive to allocate loans to clients that would provide more revenue to Blackrock. As described further below, BlackRock seeks to mitigate this conflict by providing its securities lending clients with equal lending opportunities over time in order to approximate pro-rata allocation.

As part of its securities lending program, BlackRock indemnifies certain clients and/or funds (including the Target Fund) against a shortfall in collateral in the event of borrower default. BlackRock's Risk and Quantitative Analytics Group ("RQA") calculates, on a regular basis, BlackRock's potential dollar exposure to the risk of collateral shortfall upon counterparty default ("shortfall risk") under the securities lending program for both indemnified and non-indemnified clients. On a periodic basis, RQA also determines the maximum amount of potential indemnified shortfall risk arising from securities lending activities ("indemnification exposure limit") and the maximum amount of counterparty-specific credit exposure ("credit limits") BlackRock is willing to assume as well as the program's operational complexity. RQA oversees the risk model that calculates projected shortfall values using loan-level factors such as loan and collateral type and market value as well as specific borrower counterparty credit characteristics. When necessary, RQA may further adjust other securities lending program attributes by restricting eligible collateral or reducing counterparty credit limits. As a result, the management of the indemnification exposure limit may affect the amount of securities lending activity BlackRock may conduct at any given point in time and impact indemnified and non-indemnified clients by reducing the volume of lending opportunities for certain loans (including by asset type, collateral type and/or revenue profile).

BlackRock uses a predetermined systematic and fair process in order to approximate pro-rata allocation. In order to allocate a loan to a portfolio: (i) BlackRock as a whole must have sufficient lending capacity pursuant to the various program limits (i.e. indemnification exposure limit and counterparty credit limits); (ii) the lending portfolio must hold the asset at the time a loan opportunity arrives; and (iii) the lending portfolio must also have enough inventory, either on its own or when aggregated with other portfolios into one single market delivery, to satisfy the loan request. In doing so, BlackRock seeks to provide equal lending opportunities for all portfolios, independent of whether BlackRock indemnifies the portfolio. Equal opportunities for lending portfolios does not guarantee equal outcomes. Specifically, short and long-term outcomes for individual clients may vary due to asset mix, asset/liability spreads on different securities, and the overall limits imposed by the firm

13.3 Specific Risk of the Target Fund

Risk to capital growth
The Target may be exposed to capital growth risks as a result of the dividend policies they adopt and/or the investment strategies they pursue:

<u>Dividend Policies</u>
The Target Fund may make distributions from capital as well as from income and net realised and net unrealised capital gains. This may occur for example:

- if the securities markets in which the Target Fund invests had declined to such an extent that the Target Fund has incurred net capital losses;
- if dividends are paid gross of fees and expenses this will mean fees and expenses are paid out of net realised and net unrealised capital gains or initially subscribed capital. As a result payment of dividends on this basis may reduce capital growth or reduce the capital of the Target Fund; or
- if dividends include Interest Rate Differential arising from share class currency hedging, this will mean that the dividend may be higher but capital of the relevant share class will not benefit from the Interest Rate Differential. Where net share class currency hedging returns do not fully cover the Interest Rate Differential portion of a dividend, such shortfall will have the effect of reducing capital.

<u>Options Strategies</u>
In addition the Target Fund may pursue investment strategies, such as options strategies, in order to generate income. Whilst this might allow more income to be distributed, it may also have the effect of reducing capital and the potential for long-term capital growth as well as increasing any capital losses. Any such distributions may result in an immediate reduction of the net asset value per share. If the Target Fund adopts options strategies to generate income and as part of an options strategy, the Investment Adviser is incorrect in its expectation of changes in the market prices or determination of the correlation between the instruments or indices on which the options are written or purchased and the instruments in the Target Fund's investment portfolio, the Target Fund may incur losses that it would not otherwise incur.

Fixed income transferable securities
Debt securities are subject to both actual and perceived measures of creditworthiness. The "downgrading" of a rated debt security or its issuer or adverse publicity and investor perception, which may not be based on fundamental analysis, could decrease the value and liquidity of the security, particularly in a thinly traded market. In certain market environments this may lead to investments in such securities becoming less liquid, making it difficult to dispose of them. The Target Fund may be affected by changes in prevailing interest rates and by credit quality considerations. Changes in market rates of interest will generally affect the Target Fund's asset values as the prices of fixed rate securities generally increase when interest rates decline and decrease when interest rates rise. Prices of shorter-term securities generally fluctuate less in response to interest rate changes than do longer-term securities. An economic recession may adversely affect an issuer's financial condition and the market value of high yield debt securities issued by such entity. The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, or the issuer's inability to meet specific projected business forecasts, or the unavailability of additional financing. In the event of bankruptcy of an issuer, the Target Fund may experience losses and incur costs. Issuers of non-investment grade or unrated debt may be highly leveraged and carry a greater risk of default. In addition, non-investment grade or unrated securities tend to be less liquid and more volatile than higher rated fixed-income securities, so that adverse economic events may have a greater impact on the prices of non-investment grade debt securities than on higher rated fixed income securities. Such securities are also subject to greater risk of loss of principal and interest than higher rated fixed-income securities.

Investment in High Yield Debt Securities
Non-investment grade debt securities, also known as “high-yield” debt securities may carry a greater risk of default than higher rated debt securities. In addition, non-investment grade securities tend to be more volatile than higher rated debt securities, so that adverse economic events may have a greater impact on the prices of noninvestment grade debt securities than on higher rated debt securities. Further, an issuer’s ability to service its debt obligations may be adversely affected by specific issuer developments, for example, an economic recession may adversely affect an issuer’s financial condition and the market value of high yield debt securities issued by such entity.

Distressed Securities risk
Investment in a security issued by a company that is either in default or in high risk of default (“Distressed Securities”) involves significant risk. Such investments will only be made when the Investment Adviser believes either that the security trades at a materially different level from the Investment Adviser’s perception of fair value or that it is reasonably likely that the issuer of the securities will make an exchange offer or will be the subject of a plan of reorganisation; however, there can be no assurance that such an exchange offer will be made or that such a plan of reorganisation will be adopted or that any securities or other assets received in connection with such an exchange offer or plan of reorganisation will not have a lower value or income potential than anticipated when the investment was made. In addition, a significant period of time may pass between the time at which the investment in Distressed Securities is made and the time that any such exchange, offer or plan of reorganisation is completed. During this period, it is unlikely that any interest payments on the Distressed Securities will be received, there will be significant uncertainty as to whether fair value will be achieved or not and the exchange offer or plan of reorganisation will be completed, and there may be a requirement to bear certain expenses to protect the Target Fund’s interest in the course of negotiations surrounding any potential exchange or plan of reorganisation. Furthermore, constraints on investment decisions and actions with respect to Distressed Securities due to tax considerations may affect the return realised on the Distressed Securities.

The Target Fund may invest in securities of issuers that are encountering a variety of financial or earnings problems and represent distinct types of risks. The Target Fund’s investments in equity or fixed income transferable securities of companies or institutions in weak financial condition may include issuers with substantial capital needs or negative net worth or issuers that are, have been or may become, involved in bankruptcy or reorganisation proceedings.

Equity risk
The values of equities fluctuate daily and the Target Fund investing in equities could incur significant losses. The price of equities can be influenced by many factors at the individual company level, as well as by broader economic and political developments, including changes in investment sentiment, trends in economic growth, inflation and interest rates, issuer-specific factors, corporate earnings reports, demographic trends and catastrophic events.

Asset-Backed Securities (“ABS”)
An asset-backed security is a generic term for a debt security issued by corporations or other entities (including public or local authorities) backed or collateralised by the income stream from an underlying pool of assets. The underlying assets typically include loans, leases or receivables (such as credit card debt, automobile loans and student loans). An asset-backed security is usually issued in a number of different classes with varying characteristics depending on the riskiness of the underlying assets assessed by reference to their credit quality and term and can be issued at a fixed or a floating rate. The higher the risk contained in the class, the more the asset-backed security pays by way of income.

The obligations associated with these securities may be subject to greater credit, liquidity and interest rate risk compared to other fixed income securities such as government issued bonds. ABS and MBS are often exposed to extension risk (where obligations on the underlying assets are not paid on time) and prepayment risks (where obligations on the underlying assets are paid earlier than expected), these risks may have a substantial impact on the timing and size of the cashflows paid by the securities and may negatively impact the returns of the securities. The average life of each individual security may be affected by a large number of factors such as the existence and frequency of exercise of any optional redemption and mandatory prepayment, the prevailing level of interest rates, the actual default rate of the underlying assets, the timing of recoveries and the level of rotation in the underlying assets.

With regard to the Target Fund's investments in ABS, while the value of ABS typically increases when interest rates fall and decreases when interest rates rise, and are expected to move in the same direction of the underlying related asset, there may not be a perfect correlation between these events.

The ABS in which the Target Fund may invest may bear interest or pay preferred dividends at below market rates and, in some instances, may not bear interest or pay preferred dividends at all.

Certain ABS may be payable at maturity in cash at the stated principal amount or, at the option of the holder, directly in a stated amount of the asset to which it is related. In such instance, the Target Fund may sell the ABS in the secondary market prior to maturity if the value of the stated amount of the asset exceeds the stated principal amount and thereby realise the appreciation in the underlying asset.

ABS may also be subject to extension risk, which is, the risk that, in a period of rising interest rates, prepayments may occur at a slower rate than expected. As a result, the average duration of the Target Fund's portfolio may increase. The value of longer-term securities generally changes more in response to changes in interest rates than that of shorter-term securities.

As with other debt securities, ABS are subject to both actual and perceived measures of creditworthiness. Liquidity in ABS may be affected by the performance or perceived performance of the underlying assets. In some circumstances investments in ABS may become less liquid, making it difficult to dispose of them. Accordingly the Target Fund's ability to respond to market events may be impaired and the Target Fund may experience adverse price movements upon liquidation of such investments. In addition, the market price for an ABS may be volatile and may not be readily ascertainable. As a result, the Target Fund may not be able to sell them when it desires to do so, or to realise what it perceives to be their fair value in the event of a sale. The sale of less liquid securities often requires more time and can result in higher brokerage charges or dealer discounts and other selling expenses. ABS may be leveraged which may contribute to volatility in the value of the security.

Mortgage-backed Securities ("MBS")
A mortgage-backed security is a generic term for a debt security backed or collateralised by the income stream from an underlying pool of commercial and/or residential mortgages. This type of security is commonly used to redirect the interest and principal payments from the pool of mortgages to investors. A mortgage-backed security is normally issued in a number of different classes with varying characteristics depending on the riskiness of the underlying mortgages assessed by reference to their credit quality and term and can be issued at a fixed or a floating rate of securities. The higher the risk contained in the class, the more the mortgage-backed security pays by way of income.

MBS may be subject to prepayment risk which is the risk that, in a period of falling interest rates, borrowers may refinance or otherwise repay principal on their mortgages earlier than scheduled. When this happens, certain types of MBS will be paid off more quickly than originally anticipated and the Target Fund will have to invest the proceeds in securities with lower yields. MBS may also be subject to extension risk, which is, the risk that, in a period of rising interest rates, certain types of MBS will be paid off more slowly than originally anticipated and the value of these securities will fall. As a result, the average duration of the Target Fund's portfolio may increase. The value of longer-term securities generally changes more in response to changes in interest rates than that of shorter-term securities.

Because of prepayment risk and extension risk, MBS react differently to changes in interest rates than other fixed income securities. Small movements in interest rates (both increases and decreases) may quickly and significantly reduce the value of certain MBS. Certain MBS in which the Target Fund may invest may also provide a degree of investment leverage, which could cause the Target Fund to lose all or a substantial amount of its investment.

In some circumstances investments in MBS may become less liquid, making it difficult to dispose of them. Accordingly, the Target Fund's ability to respond to market events may be impaired and the Target Fund may experience adverse price movements upon liquidation of such investments. In addition, the market price for MBS may be volatile and may not be readily ascertainable. As a result, the Target Fund may not be able to sell them when it desires to do so, or to realise what it perceives to be their fair value in the event of a sale. The sale of less liquid securities often requires more time and can result in high brokerage charges or dealer discounts and other selling expenses.

Contingent convertible bonds risk
A contingent convertible bond is a type of complex debt security which may be converted into the issuer's equity or be partly or wholly written off if a pre-specified trigger event occurs. Trigger events may be outside of the issuer's control. Common trigger events include the share price of the issuer falling to a particular level for a certain period of time or the issuer's capital ratio falling to a pre-determined level. Coupon payments on certain contingent convertible bonds may be entirely discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.

Events that trigger the conversion from debt into equity are designed so that conversion occurs when the issuer of the contingent convertible bonds is in financial difficulty, as determined either by regulatory assessment or objective losses (e.g. if the capital ratio of the issuer company falls below a pre-determined level).

Investment in contingent convertible bonds may entail the following (non-exhaustive) risks:

Contingent convertible bonds' investors may suffer a loss of capital when equity holders do not.

Trigger levels differ and determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the Target Fund to anticipate the trigger events that would require the debt to convert into equity. Furthermore, it might be difficult for the Target Fund to assess how the securities will behave upon conversion.

In case of conversion into equity, the Target Fund might be forced to sell these new equity shares because the investment policy of the Target Fund may not allow equity in its portfolio. Such a forced sale, and the increased availability of these shares might have an effect on market liquidity in so far as there may not be sufficient demand for these shares. Investment in contingent convertible bonds may also lead to an increased industry concentration risk and thus counterparty risk as such securities are issued by a limited number of banks. Contingent convertible bonds are usually subordinated to comparable non-convertible securities, and thus are subject to higher risks than other debt securities.

In the event that a contingent convertible bond is written off (a "write-down") as the result of a pre-specified trigger event, the Target Fund may suffer a full, partial or staggered loss of the value of its investment. A write-down may be either temporary or permanent.

In addition, most contingent convertible bonds are issued as perpetual instruments which are callable at pre-determined dates. Perpetual contingent convertible bonds may not be called on the pre-defined call date and investors may not receive return of principal on the call date or at any date.

Emerging markets
Emerging markets are typically those of poorer or less developed countries which exhibit lower levels of economic and/or capital market development, and higher levels of share price and currency volatility. Amongst these, those which exhibit the lowest levels of economic and/or capital market development may be referred to as frontier markets, and the below mentioned risks may be amplified for these markets.

Some emerging markets governments exercise substantial influence over the private economic sector and the political and social uncertainties that exist for many developing countries are particularly significant. Another risk common to most such countries is that the economy is heavily export oriented and, accordingly, is dependent upon international trade.

The existence of overburdened infrastructures and inadequate financial systems also presents risks in certain countries, as do environmental problems.

In adverse social and political circumstances, governments have been involved in policies of expropriation, confiscatory taxation, nationalisation, intervention in the securities market and trade settlement, and imposition of foreign investment restrictions and exchange controls, and these could be repeated in the future. In addition to withholding taxes on investment income, some emerging markets may impose capital gains taxes on foreign investors.

Generally accepted accounting, auditing and financial reporting practices in emerging markets may be significantly different from those in developed markets. Compared to mature markets, some emerging markets may have a low level of regulation, enforcement of regulations and monitoring of investors' activities. Those activities may include practices such as trading on material non-public information by certain categories of investor.

The securities markets of developing countries are not as large as the more established securities markets and have substantially less trading volume, resulting in a lack of liquidity and high price volatility. There may be a high concentration of market capitalisation and trading volume in a small number of issuers representing a limited number of industries as well as a high concentration of investors and financial intermediaries. These factors may adversely affect the timing and pricing of the Target Fund's acquisition or disposal of securities.

Practices in relation to the settlement of securities transactions in emerging markets involve higher risks than those in developed markets, in part because the Company will need to use brokers and counterparties which are less well capitalised, and custody and registration of assets in some countries may be unreliable. Delays in settlement could result in investment opportunities being missed if the Target Fund is unable to acquire or dispose of a security. The Depositary is responsible for the proper selection and supervision of its correspondent banks in all relevant markets in accordance with Luxembourg law and regulation.

In certain emerging markets, registrars are not subject to effective government supervision nor are they always independent from issuers. Investors should therefore be aware that the Target Fund concerned could suffer loss arising from these registration problems.

Sovereign debt

Sovereign debt refers to debt obligations issued or guaranteed by governments or their agencies and instrumentalities (each a "governmental entity"). Investments in sovereign debt may involve a degree of risk. The governmental entity that controls the repayment of sovereign debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. A governmental entity's willingness or ability to repay principal and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy towards the international monetary bodies, any constraints placed on it by inclusion in a common monetary policy, or any other constraints to which a governmental entity might be subject. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and other foreign entities to reduce principal and interest arrears on their debt. The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on a governmental entity's implementation of economic reforms and/or economic performance and the timely service of such debtor's obligations. Failure to implement such reforms, achieve such levels of economic performance or repay principal or interest when due may result in the cancellation of such third parties' commitments to lend funds to the governmental entity, which may further impair such debtor's ability or willingness to service its debt on a timely basis. Consequently, governmental entities may default on their sovereign debt. Holders of sovereign debt, including the Target Fund, may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities.

Sovereign debt holders may also be affected by additional constraints relating to sovereign issuers which may include (i) the restructuring of such debt (including the reduction of outstanding principal and interest and or rescheduling of repayment terms) without the consent of the impacted Target Fund(s) (e.g. pursuant to legislative actions unilaterally taken by the sovereign issuer and/or decisions made by a qualified majority of the lenders); and (ii) the limited legal recourses available against the sovereign issuer in case of failure of or delay in repayment (for example there may be no bankruptcy proceedings available by which sovereign debt on which a government entity has defaulted may be recovered).

Bond downgrade risk
The Target Fund may invest in highly rated / investment grade bonds, however, where a bond is subsequently downgraded it may continue to be held in order to avoid a distressed sale. To the extent that the Target Fund does hold such downgraded bonds, there will be an increased risk of default on repayment, which in turn translates into a risk that the capital value of the Target Fund will be affected. Investors should be aware that the yield or the capital value of the Target Fund (or both) could fluctuate.

Restriction on foreign investments
Some countries prohibit or impose substantial restrictions on investments by foreign entities such as the Target Fund. As illustrations, certain countries require governmental approval prior to investments by foreign persons, or limit the amount of investment by foreign persons in a particular company, or limit the investment by foreign persons in a company to only a specific class of securities which may have less advantageous terms than securities of the company available for purchase by nationals. Certain countries may restrict investment opportunities in issuers or industries deemed important to national interests. The manner in which foreign investors may invest in companies in certain countries, as well as limitations on such investments, may have an adverse impact on the operations of the Target Fund. For example, the Target Fund may be required in certain of such countries to invest initially through a local broker or other entity and then have the share purchases re-registered in the name of the Target Fund. Re-registration may in some instances not be able to occur on a timely basis, resulting in a delay during which the Target Fund may be denied certain of its rights as an investor, including rights as to dividends or to be made aware of certain corporate actions. There also may be instances where the Target Fund places a purchase order but is subsequently informed, at the time of re-registration, that the permissible allocation to foreign investors has been filled, depriving the Target Fund of the ability to make its desired investment at the time. Substantial limitations may exist in certain countries with respect to the Target Fund’s ability to repatriate investment income, capital or the proceeds of sales of securities by foreign investors. The Target Fund could be adversely affected by delays in, or a refusal to grant any required governmental approval for repatriation of capital, as well as by the application to the Target Fund of any restriction on investments. A number of countries have authorised the formation of closed-end investment companies to facilitate indirect foreign investment in their capital markets. Shares of certain closed-end investment companies may at times be acquired only at market prices representing premiums to their net asset values. If the Target Fund acquires shares in closed-end investment companies, shareholders would bear both their proportionate share of expenses in the Target Fund (including management fees) and, indirectly, the expenses of such closed end investment companies. In addition, certain countries such as India and the PRC implement quota restrictions on foreign ownership of certain onshore investments. These investments may at times be acquired only at market prices representing premiums to their net asset values and such premiums may ultimately be borne by the Target Fund. The Target Fund may also seek, at its own cost, to create its own investment entities under the laws of certain countries.

Bank corporate bonds “bail-in” risk
Corporate bonds issued by a financial institution in the EU may be subject to the risk of a write down or conversion (i.e. “bail-in”) by an EU authority in circumstances where the financial institution is unable to meet its financial obligations. This may result in bonds issued by such financial institution being written down (to zero), converted into equity or alternative instrument of ownership, or the terms of the bond may be varied. ‘Bail-in’ risk refers to the risk of EU member state authorities exercising powers to rescue troubled banks by writing down or converting rights of their bondholders in order to absorb losses of, or recapitalise, such banks. Investors should be alerted to the fact that EU member state authorities are more likely to use a “bail-in” tool to rescue troubled banks, instead of relying on public financially

support as they have in the past as EU member state authorities now consider that public financial support should only be used as a last resort after having assessed and exploited, to the maximum extent practicable, other resolution tools, including the “bail-in” tool. A bail-in of a financial institution is likely to result in a reduction in value of some or all of its bonds (and possibly other securities) and the Target Fund holding such securities when a bail-in occurs will also be similarly impacted.

THE ABOVE ARE THE KEY RISKS APPLICABLE TO THE TARGET FUND AND MAY NOT BE EXHAUSTIVE. INVESTORS ARE ADVISED TO CONSULT THEIR ADVISER(S), E.G. THEIR BANKERS, LAWYERS, STOCKBROKERS OR INDEPENDENT PROFESSIONAL ADVISERS FOR A BETTER UNDERSTANDING OF THE RISKS.

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

Maybank Asset Management Sdn. Bhd. (421779-M)
Level Maybank 12, Tower C, Dataran Maybank,
No. 1 Jalan Maarof, 59000 Kuala Lumpur Malaysia
Telephone +603 2297 7888
Facsimile +603 2715 0071
www.maybank-am.com