AHAM CAPITAL
ASSET MANAGEMENT

Information Memorandum

AHAM World Series - Dividend Value Fund

(Formerly known as Affin Hwang World Series – Dividend Value Fund)

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

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

This Replacement Information Memorandum is dated 15 December 2023.
The AHAM World Series – Dividend Value Fund was constituted on 8 June 2015.
The constitution date of the Fund is also the launch date of the Fund.

A copy of this Information Memorandum has been lodged with the Securities Commission Malaysia. The Securities Commission Malaysia has not authorised or recognised the Fund and a copy of this Information Memorandum has not been registered with the Securities Commission Malaysia. The lodgement of this Information Memorandum should not be taken to indicate that the Securities Commission Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Information Memorandum. The Securities Commission Malaysia is not liable for any non-disclosure on the part of AHAM Asset Management Berhad responsible for the Fund and takes no responsibility for the contents in this Information Memorandum. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Information Memorandum, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

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

This Information Memorandum is to be issued and distributed in Malaysia only. Consequently, no representation has been and will be made as to its compliance with the laws of any foreign jurisdiction.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS INFORMATION MEMORANDUM AND OBTAIN PROFESSIONAL ADVICE BEFORE SUBSCRIBING TO THE UNITS OF THE FUND. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISE

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

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GLOSSARY

Act	Means the Capital Markets and Services Act 2007 as originally enacted and as may be amended or modified from time to time.
A Shares CIS	Means collective investment schemes directly investing in China A Shares through qualified foreign institutional investors or Renminbi qualified foreign institutional investors.
AUD	Means Australian Dollar, the lawful currency of Australia.
AUD Class	Represents a Class of Units issued by the Fund which is denominated in AUD.
Base Currency	Means the currency in which the Fund is denominated i.e. USD.
Bursa Malaysia	Means the stock exchange operated by Bursa Malaysia Securities Berhad including such other name as it may be changed to from time to time.
Business Day	Means a day on which Bursa Malaysia and/or one or more of the foreign markets in which the Fund is invested in are open for business/trading. The Manager may declare certain Business Days as non-Business Days when deemed necessary, such as (i) in the event of market disruption; (ii) if the jurisdiction of the Target Fund declares that day as a non-business day; and/or (iii) if that day is declared as a non-dealing day for the Target Fund.
CAAP(s)	Means China A Shares access products which offer direct access to China's A Shares markets.
CCASS	Means the Central Clearing and Settlement System operated by HKSCC for the clearing securities listed or traded on SEHK.
ChinaClear	Refers to China Securities Depository and Clearing Corporation Limited.
Class(es)	Means any number of class(es) of Unit(s) representing similar interests in the assets of the Fund although a class of Units of the Fund may have different features from another class of Units of the Fund.
CNH	Means offshore RMB.
CNY	Means onshore RMB.
communiqué	Refers to the notice issued by the Manager to the Unit Holders.
CVC Capital Partners Asia Fund V	Means collectively (1) CVC Capital Partners Asia V L.P.; (2) CVC Capital Partners Investment Asia V L.P.; and (3) CVC Capital Partners Asia V Associates L.P.
Deed	Refers to the deed dated 8 May 2015, the supplemental deed dated 3 August 2016 and the second supplemental deed dated 16 November 2023 entered into between the Manager and the Trustee and includes any subsequent amendments and variations to the deed.
deposits	Has the same meaning as per the definition of "deposit" in the Financial Services Act 2013. For the avoidance of doubt, it shall exclude structured deposits.
Development Financial Institution	Means a development financial institution under the Development Financial Institutions Act 2002.
ETF(s)	Refers to Exchange Traded Funds.
FiMM	Means the Federation of Investment Managers Malaysia.
Financial Institution	Means (1) if the institution is in Malaysia – (i) Licensed Bank; (ii) Licensed Investment Bank; (iii) Development Financial Institution; or (iv) Licensed Islamic Bank; or (2) if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.
Forward Pricing	Means the method of determining the price of a Unit which is the NAV per Unit at the next valuation point after an application for purchase or repurchase request is received by the Manager.

Fund	Refers to AHAM World Series – Dividend Value Fund *(formerly known as Affin Hwang World Series – Dividend Value Fund).*
Guidelines	Means the *Guidelines on Unlisted Capital Market Products Under The Lodge And Launch Framework* issued by the SC as may be amended from time to time.
HKD	Means Hong Kong Dollar, the lawful currency of Hong Kong.
HKSCC	Refers to the Hong Kong Securities Clearing Company Limited.
Information Memorandum	Means this offer document in respect of this Fund as may be replaced or amended from time to time.
Licensed Bank	Means a bank licensed under the Financial Services Act 2013.
Licensed Investment Bank	Means an investment bank licensed under the Financial Services Act 2013.
Licensed Islamic Bank	Means an Islamic bank licensed under the Islamic Financial Services Act 2013.
long-term	Means a period of five (5) years or more.
Manager / AHAM	Refers to AHAM Asset Management Berhad.
medium-term	Means a period between three (3) to five (5) years.
MYR	Means Ringgit Malaysia, the lawful currency of Malaysia.
MYR Class	Represents a Class issued by the Fund which is denominated in MYR.
NAV	Means the value of all the assets of the Fund less the value of all the liabilities of the Fund at a valuation point. Where the Fund has more than one Class, there shall be a NAV attributable to each Class.
NAV per Unit	Means the NAV of the Fund at a particular valuation point divided by the number of Units in Circulation at the same valuation point. Where the Fund has more than one Class, there shall be a NAV per Unit for each Class; the NAV per Unit of a Class at a particular valuation point shall be the NAV of the Fund attributable to that Class divided by the number of Units in Circulation of that Class at the same valuation point.
PRC	Means People's Republic of China.
QFII	Means qualified foreign institutional investors.
REITs	Refers to real estate investment trusts.
Repurchase Charge	Means a charge imposed pursuant to a repurchase request.
Repurchase Price	Means the price payable to a Unit Holder by the Manager for a Unit pursuant to a repurchase request and it shall be exclusive of any Repurchase Charge.
RMB	Means Renminbi Yuan, the lawful currency of PRC.
Sales Charge	Means a charge imposed pursuant to a purchase request.
SC	Means the Securities Commission Malaysia established under the Securities Commission Malaysia Act 1993.
SEHK	Refers to the Stock Exchange of Hong Kong Limited.
Selling Price	Means the price payable by the Unit Holder for the Manager to create a Unit in the Fund and it shall be exclusive of any Sales Charge.
SFC	Refers to Securities and Futures Commission of Hong Kong.
SGD	Means Singapore Dollar, the lawful currency of Singapore.
SGD Class	Represents a Class of Units issued by the Fund which is denominated in SGD.
Sophisticated Investors	Refers to any person (a) who falls within any of the categories of investors set out in Part 1, Schedules 6 and 7 of the Act; (b) who acquires unlisted capital market products where the consideration is not less than two hundred and fifty thousand ringgit or equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise; or (c) any other person as may be determined by the SC from time to time under the Guidelines. Note: For more information, please refer to our website at www.aham.com.my for the current excerpts of Part 1, Schedules 6 and 7 of the Act and the list of other Sophisticated Investors as permitted by the SC under the Guidelines.

Special Resolution	Means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority of not less than three-fourths (3/4) of the Unit Holders present and voting at the meeting in person or by proxy; for the avoidance of doubt, “three-fourths (3/4) of the Unit Holders present and voting” means three-fourths (3/4) of the votes cast by the Unit Holders present and voting; for the purposes of terminating the Fund or a Class, “Special Resolution” means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority in number representing at least three-fourths (3/4) of the value of the Units held by the Unit Holders present and voting at the meeting in person or by proxy.
SSE	Refers to Shanghai Stock Exchange.
Stock Connects	Means the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.
SZSE	Refers to Shenzhen Stock Exchange.
Target Fund	Means the Value Partners High-Dividend Stocks Fund.
Target Fund Manager	Means Value Partners Hong Kong Limited.
Target Fund Prospectus	Means the offering document of the Target Fund dated April 2023, as amended, modified or supplemented from time to time
Trustee / DTMB	Refers to Deutsche Trustees Malaysia Berhad.
Unit or Units	Means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a unit of the Fund and if the Fund has more than one Class, it means a unit issued for each Class.
Units in Circulation	Means Units created and fully paid for and which have not been cancelled. *It is also the total number of Units issued at a particular valuation point.*
Unit Holder or Unit Holders	Refers to the person /corporation for the time being who, in full compliance to the relevant laws is a Sophisticated Investor pursuant to the Guidelines including a jointholder.
USD	Means United States Dollar, the lawful currency of the United States of America.
USD Class	Represents a Class of Units issued by the Fund which is denominated in USD.
US Person	Means a US citizen or US tax resident individual (including a green-card holder, an individual with substantial US presence and an individual who has US permanent or mailing address), a US corporation, US partnership, US trust or US estate for US federal income tax purposes.

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

UNDERSTANDING THE RISKS OF THE FUND AND THE TARGET FUND

Below are the risks associated with the investments of the Fund and the Target Fund.

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

General risks of the Fund

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

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

- **Performance risk** –. This Fund is a feeder fund which invests in another collective investment scheme, namely the Target Fund. The performance of the Fund very much depends on the performance of the Target Fund. If the Target Fund does not perform in accordance with its objective, the performance of the Fund will also be impacted negatively. The performance of the Target Fund and consequently of this Fund may go down as well as up, depending on the circumstances prevailing at a particular given time. On that basis, there is never a guarantee that investing in the Fund will produce a positive investment returns in accordance with its objective.

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

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

- **Risk of non-compliance** - There is also the risk that the Manager of the Fund may not follow the rules set out in the Deed, or the law that governs the Fund, or will act fraudulently or dishonestly. The non-compliance may expose the Fund to losses particularly caused by the fraudulent or dishonest acts or omissions of the Manager.

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

- **Suspension of repurchase request risk** - Having considered the best interests of Unit Holders, the repurchase requests by the Unit Holders may be subject to suspension due to exceptional circumstances, where the market value or fair value of a material portion of the Fund's assets cannot be determined or such other circumstances as may be determined by the Manager, where there is good and sufficient reason to do so. The exceptional circumstances may include, amongst other, suspension of dealing by the Target Fund. In such case, Unit Holders will not be able to redeem their Units and will be compelled to remain invested in the Fund for a longer period of time. Hence, their investments will continue to be subject to the risks inherent to the Fund.

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

Specific risks of the Fund

Investors should take into consideration the following risks associated with the Fund's purchase of units in the Target Fund:-

- **Concentration risk** – The Fund is a feeder fund which invests in a single collective investment scheme. Any adverse effect on the Target Fund will inevitably affect the Fund as well. The performance of the Fund is also dependent on the performance of the Target Fund. This risk may be mitigated as the Manager is allowed to take temporary defensive positions in response to adverse market conditions. The Manager is also able to substitute the Target Fund with another fund with similar objective of the Fund if, in the Manager's opinion, the Target Fund no longer meets the Fund's objective subject to Unit Holders' approval. For better understanding of the risks associated to the Target Fund, please refer to the section *"Specific risks related to the Target Fund"* below.

- **Liquidity risk** –This is the risk that the units of the Target Fund that is held by the Fund cannot be readily sold and converted into cash. This can occur when there is a restriction on realisation of units of the Target Fund. The Target Fund Manager may suspend the realisation of units of the Target Fund, or delay the payment of realisation proceeds in respect of any realisation request received, during any period in which the determination of the net asset value of the Target Fund is suspended. As a result, the Fund may not be able to receive the repurchase proceeds in timely manner which in turn may delay the payment of repurchase proceeds to the Unit Holders. In managing liquidity risk, the Manager will maintain a sufficient liquidity level for the purposes of meeting repurchase requests.
  Please refer to the section *"Suspension of Dealing in Units"* of this Information Memorandum for more details.

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

- **Country risk** – Since the Fund invests in the Target Fund which is established in the Hong Kong and invests in Asian region, the Fund will be exposed to risks specific to the Hong Kong and Asian region. The changes or developments in the regulations, political environment and the economy of the above countries may impact the Target Fund which will in turn affect the Fund.

- **Currency risk** – As the investments of the Fund may be denominated in currencies other than the Base Currency, any fluctuation in the exchange rate between the Base Currency and the currencies in which the investments are denominated may have an impact on the value of these investments. You should be aware that if the currencies in which the investments are denominated (other than in USD) depreciate against the Base Currency, this will have an adverse effect on the NAV of the Fund in the Base Currency and vice versa. You should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.

  Currency risk at the Fund level

  The impact of the exchange rate movement between the Base Currency and the currency of the underlying investments of the Fund (other than in USD) may result in a depreciation of the value of the investments as expressed in the Base Currency.

Currency risk at the Class level

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

Currency risk at the Hedged-class level

Currency hedging reduces the effect of exchange rate movements for the Hedged-class, but it does not entirely eliminate currency risk between the Hedged-class and the Base Currency (not a perfect hedge). Hence, the unhedged portion of the respective Hedged-class will still be affected by the exchange rate movements and it may cause fluctuation of NAV of the respective Hedged-class.

You should note, however, that if the exchange rate moves favourably, the Hedged-class would not benefit from any upside in currency movement due to the hedging strategy. In addition, hedging is subject to a minimum investment size of entering into a forward contract and the cost of hedging which may affect returns of the respective Hedged-class.

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

Specific risks related to the Target Fund

The nature of the Target Fund's investments involves certain risks. Investors should consider the following factors, as well as other information in this Information Memorandum, and obtain professional advice before subscribing to the Units of the Fund. If in doubt, please consult a professional adviser.

- **Equity risk** - Investing in equity securities may offer a higher rate of return than those investing in short term and longer term debt securities. However, the Target Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. The risks associated with investments in equity securities may also be higher, because the investment performance of equity securities depends upon factors which are difficult to predict. Such factors include the possibility of sudden or prolonged market declines and risks associated with individual companies. The fundamental risk associated with any equity portfolio is the risk that the value of the investments it holds might suddenly and substantially decrease in value.

  To achieve the investment objective, the Target Fund may invest in high dividend stocks. There is no guarantee that dividends will be declared by such companies. Also investors (including the Fund) should not expect the dividend policy of such companies is tantamount to the dividend policy of the Target Fund.

- **Risk associated with high volatility of the equity market in the Asia region** – High market volatility and potential settlement difficulties in the markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Target Fund.

- **Risk associated with regulatory/exchanges requirements/policies of the equity market in the Asian region** – Securities exchanges in the Asian region typically have the right to suspend or limit trading in any security traded on the relevant exchange. The government or the regulators may also implement policies that may affect the financial markets. All these may have a negative impact on the Target Fund.

- **Investment risk** - There is no guarantee that in any time period, particularly in the short term, the Target Fund's portfolio will achieve any capital growth or even to maintain its current value. Investors should be aware that the value of units of the Target Fund may fall as well as rise due to any of the key risk factors disclosed.

  Whilst it is the intention of the Target Fund Manager to implement strategies which are designed to minimise potential losses, there can be no assurance that these strategies will be successful. It is possible that an investor (including the Fund) may lose a substantial proportion or all of its investment in the Target Fund. There is no guarantee of the repayment of principal. As a result, each investor (including the Fund) should carefully consider whether it can afford to bear the risks of investing in the Target Fund.

The Target Fund may invest in companies which are less well-established or in their early stages of development. These companies may often experience significant price volatility and potential lack of liquidity due to low trading volume of their securities.

In addition, the Target Fund may invest in the securities of small and medium sized companies. This can involve greater risk than is customarily associated with investments in larger and more established companies. In particular, smaller companies often have limited product lines, markets and/or financial resources and management may be dependent on a few key individuals. As a result, price movements in those companies may be more volatile. Transaction costs on dealing with securities of smaller capitalisation companies can be higher than those of larger capitalisation companies and there may be less liquidity which may constrain the Target Fund Manager's ability to realise some or all of the Target Fund's portfolio.

- **Effect of redemptions** - If significant redemptions of units of the Target Fund are requested, it may not be possible to liquidate the Target Fund's investments at the time such redemptions are requested or the Target Fund may be able to do so only at prices which the Target Fund believes does not reflect the true value of such investments, resulting in an adverse effect on the return to the Fund. Where significant redemptions of units of the Target Fund are requested, the Target Fund may limit the number of units of the Target Fund that are redeemed on any valuation day, suspend the right of the Fund to require redemption, or may extend the period for the payment of redemption moneys.

  In addition, the Target Fund may also in certain circumstances suspend the determination the net asset value of the Target Fund for the whole or any part of any period.

- **Dividend risk and risk relating to dividends paid out of capital** - There is no guarantee that the underlying securities in the Target Fund will pay out dividends. Therefore, there is no guarantee that the Target Fund's investment strategies will succeed. There is also neither guarantee of dividend or distribution payments during the period the Fund holds units in the Target Fund nor will there be a target level of dividend payout. High distribution yield does not imply a positive or high return.

  To the extent that the net distributable income generated by the Target Fund is insufficient to pay a distribution which is declared, the Target Fund Manager may at its discretion determine such dividends may be paid out of the capital of the Target Fund. This would require the Target Fund Manager to sell assets of the Target Fund to make such distributions as opposed to paying out net distributable income received by the Target Fund.

  The distribution amount and net asset value of the currency hedged classes may be adversely affected by differences in the interest rates of the reference currency of the currency hedged classes and the Target Fund's base currency, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-hedged classes.

  The payment of dividends out of capital represents a return or withdrawal of part of the Fund's original investment or from any capital gains attributable to the original investment. Such distributions may result in an immediate reduction of the net asset value per unit in the relevant class of the Target Fund.

  The Target Fund Manager may amend this policy subject to the SFC's prior approval and by giving not less than one month's prior notice to the Fund.

- **Possible business failure -** In the current economic environment, global markets are experiencing very high level of volatility and an increased risk of corporate failures. The insolvency or other corporate failures of any one or more of the Target Fund's investments may have an adverse effect on the Target Fund's performance and ability to achieve its objectives. The Target Fund intends to diversify its investments to minimise such adverse impact but there is no guarantee that such diversification strategy can mitigate any such adverse impact. The Fund may lose money by investing in the Target Fund.

- **No right to control the Target Fund's operation** – The Fund will have no right to control the daily operations, including investment and redemption decisions, of the Target Fund.

- **Active investment management** - The Target Fund will rely upon the Target Fund Manager in formulating the investment strategies and its performance is largely dependent on the continuation of an agreement with the Target Fund Manager and the services and skills of their respective officers and employees. The Target Fund's investments will not track a particular share index or other predetermined benchmarks. Instead, the Target Fund's assets will be actively managed by the Target Fund Manager, based on the expertise of individual fund managers, who will have discretion (subject to the Target Fund's investment restrictions) to invest the Target Fund's assets in investments that it considers will enable the Target Fund to achieve its investment objective. There is no guarantee that the Target Fund's investment objective will be achieved based on the investments selected. In the case of loss of service of the Target Fund Manager or any of its key personnel, as well as any significant interruption of the Target Fund Manager's business operations or in the extreme case the insolvency of the Target Fund Manager, the Target Fund may not find successor managers quickly and the new appointment may not be on equivalent terms or of similar quality. Therefore, the occurrence of those events could cause a deterioration in the Target Fund's performance and the Fund may lose money in those circumstances.

- **Market risk** – The investments of the Target Fund are subject to risks inherent in all securities (including settlement and counterparty risks). The value of holdings may fall as well as rise. The global markets are currently experiencing very high levels of volatility and instability, resulting in higher levels of risk than is customary (including settlement and counterparty risks).

- **Emerging markets risks** - Investments may be made by the Target Fund in the emerging markets, which may be subject to certain increased risks and special considerations not typically associated with investment in more developed economies or markets. Some of the significant additional risks in investing in emerging markets include:

  - delays in settling securities transactions and registering transfers of securities;
  - risk of loss arising out of systems of share registration and custody;
  - higher risk of political, economic and social uncertainty;
  - volatility of emerging market currencies against developed market currencies and greater foreign exchange controls;
  - higher volatility and lesser liquidity compared to developed markets;
  - shortage of qualified judicial and legal professionals to interpret or advise upon recently enacted and future laws;
  - greater settlement risk
  - greater legal and tax risk
  - difficulties in enforcement actions.

  These factors make investments in emerging markets generally more volatile than investments in developed markets, which may result in a declining net asset value of the Target Fund and may impair the Target Fund's liquidity.

- **Geographical concentration risk** – The Target Fund's investments are concentrated in Asian markets. The value of the Target Fund may likely be more volatile than a broad-based fund having a more diverse portfolio of investments, such as a global equity fund, as it is more susceptible to fluctuations in value resulting from adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the Asian market in which it invests.

- **Foreign exchange risk** – The Target Fund may issue classes denominated in a currency other than its base currency. In addition, the Target Fund may invest in assets that are denominated in a currency other than its base currency or the relevant class currency of the Target Fund. The net asset value of the Target Fund may therefore be affected unfavourably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls. Accordingly, the value of the Fund's investment may be affected favourably or unfavourably by fluctuations in the rates of exchange of the different currencies.

  The Target Fund may, in part, seek to offset the risks associated with such exposure through foreign exchange transactions. The markets in which foreign exchange transactions are effected are highly volatile, highly specialised and highly technical. Significant changes, including changes in liquidity and prices, can occur in such markets within very short periods of time, often within minutes. Foreign exchange trading risks include, but are not limited to, exchange rate risk, interest rate risk and potential interference by foreign governments through regulation of local exchange markets, foreign investment, or particular transactions in foreign currency.

  Any changes in exchange control regulations may cause difficulties in the repatriation of funds. Dealings in the Target Fund may be suspended if the Target Fund is unable to repatriate funds for the purpose of making payments on the redemption of units of the Target Fund.

- **Volatility and liquidity risk** – The debt securities in markets that the Target Fund invests in may be subject to higher volatility and lower liquidity compared to more developed markets. It is possible that there may be no liquidity or no bid or offer prices or no reliable bid or offer prices quoted for certain securities that the Target Fund may invest in, in particular debt securities and securities that are not listed on a recognised stock exchange. It may be difficult to determine the appropriate valuation of such investments and the Target Fund's ability to sell or liquidate investments at favourable times or for favourable prices may be restricted. The prices of securities traded in such markets may be subject to fluctuations. The bid and offer spreads of the price of such securities may be large and the Target Fund may incur significant trading costs. As a result, the Target Fund's value will be adversely affected.

  Liquidity risk also exists if sizeable redemption requests are received as the Target Fund may need to liquidate its investments at a substantial discount in order to satisfy such requests and the Target Fund may suffer losses in trading such investments.

- **Custody risk** – Custodians or sub-custodians may be appointed in local markets for purpose of safekeeping assets in those markets. Where the Target Fund invests in markets where custodial and/or settlement systems are not fully developed, the assets of the Target Fund may be exposed to custodial risk. In case of liquidation, bankruptcy or insolvency of a custodian or sub-custodian, the Target Fund may take a longer time to recover its assets. In extreme circumstances such as the retroactive application of legislation and fraud or improper registration of title, the Target Fund may even be unable to recover all of its assets. The costs borne by the Target Fund in investing and holding investments in such markets will be generally higher than in organised securities markets.

- **Risks relating to securities lending transactions** – Securities lending transactions may involve the risk that the borrower may fail to return the securities lent out in a timely manner and the value of the collateral may fall below the value of the securities lent out.

- **Risks associated with collateral management and re-investment of cash collateral** – Where the Target Fund enters into a securities financing transaction or an over-the-counter ("OTC") derivative transaction, collateral may be received from or provided to the relevant counterparty. Notwithstanding that the Target Fund may only accept non-cash collateral which is highly liquid, the Target Fund is subject to the risk that it will be unable to liquidate collateral provided to it to cover a counterparty default. The Target Fund is also subject to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

  The Target Fund may re-invest its cash collateral. Investors (including the Fund) should note that there are risks associated with the re-investment of cash collateral. If the Target Fund reinvests cash collateral, such re-investment is subject to investment risks including the potential loss of principal.

  Where collateral is provided by the Target Fund to the relevant counterparty, in the event of the insolvency of the counterparty, the Target Fund may become subject to the risk that it may not receive the return of its collateral or that the collateral may take some time to return if the collateral becomes available to the creditors of the relevant counterparty.

  Finance charges received by the Target Fund under a securities lending transaction may be reinvested in order to generate additional income. Similarly, cash collateral received by the Target Fund may also be reinvested in order to generate additional income. In both circumstances, the Target Fund will be exposed to market risk in respect of any such investments and may incur a loss in reinvesting the financing charges and cash collateral it receives. Such a loss may arise due to a decline in the value of the investment made. A decline in the value of investment of the cash collateral would reduce the amount of collateral available to be returned by the Target Fund to the securities lending counterparty at the conclusion of the securities lending contract. The Target Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Target Fund.

- **Repatriation limitations –** Some jurisdictions may impose restrictions on foreign exchange, especially in relation to the repatriation of foreign funds. Such markets may prohibit the repatriation of foreign funds for a fixed time horizon and limit the percentage of invested funds to be repatriated at each time. As a result, the Target Fund can incur loss from any prohibition or delay in its ability to repatriate funds from those jurisdictions and therefore cause a decline in the net asset value of the Target Fund. The Fund may lose money or may be unable to redeem the full amount of their units or may experience some delay.

- **Counterparty risk –** Financial institutions, such as brokerage firms, broker-dealers and banks, may enter into transactions with the Target Fund Manager on account of the Target Fund in relation to the Target Fund's investments. These financial institutions, being a counterparty to the transactions, may also be issuers of securities or other financial instruments in which the Target Fund invests. This exposes the Target Fund to the risk that a counterparty may not settle a transaction in accordance with market practice due to a credit or liquidity problem of the counterparty, or due to the insolvency, fraud or regulatory sanction of the counterparty, thus causing the Target Fund to suffer a loss.

Deposits of securities or cash with a custodian, bank or financial institution ("custodian or depository") will also carry counterparty risk as the custodian or depository may be unable to perform their obligations due to credit-related and other events like insolvency of or default by them. In these circumstances, the Target Fund may be required to unwind certain transactions and may encounter delays of some years and difficulties with respect to court procedures in seeking recovery of the Target Fund's assets. In most cases, the Target Fund's assets will be maintained by the custodian or depository in segregated accounts and would be protected in the event of the insolvency of the custodian or depository. However, for instance, in securities lending arrangements, the Target Fund may not have a right to have specific assets returned to it, but rather, the Target Fund may only have an unsecured claim against the custodian or counterparty, in which case it may lose all or the greater part of the value of the relevant assets.

- **Credit risk** – The Target Fund may invest in securities which (or the issuers of which) are rated below investment grade. The Target Fund may be subject to additional risks due to the speculative nature of investing in securities which (or the issuers of which) are rated below investment grade. Accordingly, an investment in these securities may be accompanied by a higher degree of credit risk (as defined below) and a greater possibility of default than is present with investment in higher rated, lower yielding securities. Below investment grade securities such as, for example, high yield debt securities, may be considered speculative and can include securities that are unrated and/or in default.

  Credit risk, a fundamental risk relating to all fixed income securities as well as money market instruments, is the chance that an issuer will fail to make principal and interest payments when due, which may lead to a default and, ultimately, a fall in the value of the Target Fund.

  Even in the absence of the issuer's default, if the mark-to-market value is lower than the cost of the investment, the Target Fund may suffer immediate diminution in the net asset value of the Target Fund. There is no guarantee that Fund will receive the principal amount invested when the Fund redeems its investment in the Target Fund.

  In times of market turmoil if redemption pressure is huge, the Target Fund may be forced to realise a substantial portion of its investments at a value which may result in significant losses to the Target Fund and the Fund may lose money in such circumstances.

  Issuers with higher credit risk typically offer higher yields for this added risk. Conversely, issuers with lower credit risk typically offer lower yields.

  Changes in the financial conditions of an issuer, changes in economic and political conditions in general, or changes in economic and political conditions specific to an issuer, are all factors that may have an adverse impact on an issuer's credit quality and security values.

- **Interest rate risk** – The Target Fund may invest in fixed income securities which are subject to interest rate risk. A fixed income security's value will generally increase in value when interest rates fall and decrease in value when interest rates rise. Certain fixed income securities give an issuer the right to call its securities, before their maturity date, in periods of declining interest rates. The possibility of such "pre-payment risk" may force the Target Fund to reinvest the proceeds of such investments in securities offering lower yields, thereby reducing the Target Fund's interest income.

- **Credit rating downgrading risk –** Investment grade securities may be subject to the risk of being downgraded to below investment grade securities, and its issuer's credit rating may also subsequently be downgraded. Credit ratings assigned by credit agencies do not guarantee the creditworthiness of the issuers. In the event of downgrading in the credit ratings of a security or an issuer relating to a security, the Target Fund's investment value in such security may be adversely affected. The Target Fund Manager may or may not dispose of the securities, subject to the investment objectives of the Target Fund. If the Target Fund continues to hold such securities, it will be subject to additional risk of loss. In the event of investment grade securities being downgraded to below investment grade securities, the Target Fund will also be subject to the below investment grade securities risk outlined in the following paragraph.

- **Unrated or below investment grade and high yielding debt securities risk** – The Target Fund may invest in high yielding debt securities which (or the issuers of which) may be unrated or rated below investment grade. Investments in securities which (or the issuers of which) are unrated or below investment grade are considered to have a higher credit risk and greater possibility of default than securities which (or the issuers of which) are investment grade with respect to payment of interest and the return of principal. Unrated or lower rated debt securities generally offer a higher current yield than higher grade issues. However, unrated or lower rated debt securities involve higher risks and are more susceptible and sensitive to adverse changes in general economic conditions, changes in interest rates and in the industries in which the issuers are engaged, as well as to changes in the financial condition of the issuers. Valuation of these securities is more difficult and thus the Target Fund's prices may be more volatile. Additionally, the market for unrated or lower rated debt securities generally is less active than that for higher rated securities and the Target Fund's ability to liquidate its holdings in response to changes in the economy or the financial markets may be further limited by such factors as adverse publicity and investor perceptions. As a result, it may be more difficult for the Target Fund to sell such debt securities or the Target Fund may be able to sell such debt securities only at prices lower than if such debt securities were widely traded. The Target Fund will suffer losses if such debt securities have to be sold at prices which are substantially lower than the amount invested by the Target Fund.

  The value of lower rated or unrated debt securities is also affected by investors' perceptions. When economic conditions appear to be deteriorating, lower rated or unrated debt securities may decline in market value more than investment grade debt securities due to investors' heightened concerns and perceptions over credit quality and increase in the default risk of such lower or unrated debt securities. As a result, the value of the Target Fund's investments may be adversely affected and the Fund may suffer substantial losses of their investments.

- **Sovereign debt risk** – The Target Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may require the Target Fund to participate in restructuring such debts. The Target Fund may suffer significant losses when there is a default of sovereign debt issuers.

- **Borrowing risks –** The Target Fund may borrow subject to the limit set out in the Target Fund's deed for various reasons, such as facilitating redemptions or to acquire investments for the account of the Target Fund. Borrowing involves an increased degree of financial risk and may increase the exposure of the Target Fund to factors such as rising interest rates, downturns in the economy, or deterioration in the conditions of the assets underlying its investments. There can be no assurance that the Target Fund will be able to borrow on favourable terms, or that the Target Fund's indebtedness will be accessible or be able to be refinanced by the Target Fund at any time.

- **Political, economic and social risks –** The value of the assets of the Target Fund may be affected by uncertainties or changes such as domestic and international political developments, changes in social conditions, changes in government policies, taxation, restrictions on foreign investments and currency repatriation, the level of interest rates, currency fluctuations, fluctuations in both debt and equity capital markets, sovereign defaults, inflation and money supply deflation, and other developments in the legal, regulatory and political climate in the jurisdictions in which investments may be made, which may or may not occur without prior notice. Any such changes or developments may affect the value and marketability of the Target Fund's investments.

- **Financial derivative instruments –** The Target Fund may invest in the investment targets of the Target Fund through financial derivative instruments ("FDIs"). The Target Fund may also use FDIs for hedging purposes. FDIs may not be listed and are subject to the terms and conditions imposed by their issuer. There is no active market in FDIs and therefore investment in FDIs can be illiquid. In order to meet redemption requests, the Target Fund relies upon the issuer of the FDIs to quote a price to unwind any part of the FDIs that will reflect the market liquidity conditions and the size of the transaction. There is a risk that the issuer of the FDIs will not settle a transaction due to a credit or liquidity problem and the Target Fund may suffer a total loss of the Target Fund's interest in the FDIs.

An investment in the FDIs does not entitle the FDIs holder to the beneficial interest in the shares nor to make any claim against the company issuing the shares. There can be no assurance that the price of the FDIs will equal the underlying value of the company or securities market that it may seek to replicate.

Risks associated with FDIs include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and OTC transaction risk. Compared to conventional securities, such as shares and debt securities, FDIs with leveraging effect (such as futures and warrants) can be more sensitive to changes in interest rates or to sudden fluctuations in market prices. As a result, a relatively small price movement in the value of the underlying asset of such FDIs may result in immediate and substantial loss (or gain) to the Target Fund. The leverage element/ component of a FDIs and adverse changes in the value or level of the underlying asset, rate or index can result in a loss significantly greater than the amount invested in the FDIs itself. Exposure to FDIs may lead to a high risk of significant loss by the Target Fund, and the Target Fund's losses may be greater if it invests only in conventional securities such as shares and debt securities.

- **Hedging risk –** The Target Fund Manager is permitted, but not obliged, to use hedging techniques to attempt to offset market and currency risks. The Target Fund may use financial derivatives such as index and currency swaps and currency forwards for hedging purposes. There is no guarantee that hedging techniques will achieve their desired result.

  While the Target Fund may enter into such transactions to seek to reduce currency, exchange rate, interest rate and other market risks, unanticipated changes in currency, interest rates and the relevant markets may result in a poorer overall performance of the Target Fund. For a variety of reasons, the Target Fund may not obtain a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent the intended hedge or expose the Target Fund to risk of loss.

- **Risks relating to currency hedging and the currency hedged classes** – The Target Fund Manager may (but is not obliged to) enter into certain currency related transactions in order to hedge the currency exposure of the assets of the Target Fund attributable to a particular class into the class currency of the relevant class. Any financial instruments used to implement such strategies with respect to one or more classes shall be assets/ liabilities of the Target Fund as a whole but will be attributable to the relevant class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant class. Where a class of units of the Target Fund is to be hedged ("currency hedged class") this will be disclosed in the Target Fund Prospectus. Any currency exposure of a class may not be combined with, or offset against, that of any other class of the Target Fund. The currency exposure of the assets attributable to a class may not be allocated to other classes.

  Where the Target Fund Manager seeks to hedge against currency fluctuations, while not intended, this could result in over-hedged or under-hedged positions due to external factors outside the control of the Target Fund Manager. Investors in the currency hedged classes may have exposure to currencies other than the currency of that currency hedged class. Investors should also be aware that the hedging strategy may substantially limit the benefits of any potential increase in value of a currency hedged class expressed in the class currency, if the currency hedged class' denominating currency falls against the base currency of the Target Fund.

  The Target Fund Manager may also, at its absolute discretion, seek to fully or partially hedge currency exposures arising from some or all of the Target Fund's underlying assets to the base currency of the Target Fund. Investors whose base currency is different (or not in a currency linked to the Target Fund's base currency or the currency of that currency hedged class) may be exposed to additional currency risk.

  The precise hedging strategy applied to a particular currency hedged class may vary. In addition, there is no guarantee that the desired hedging instruments will be available or hedging strategy will achieve its desired result. In such circumstances, investors of the currency hedged class may still be subject to the currency exchange risk on an unhedged basis (which means that, for example, if the hedging strategy in respect of the hedged RMB classes of units is ineffective, depending on the exchange rate movements of RMB relative to the base currency of the Target Fund, and/or other currency(ies) of the non-RMB denominated underlying investment of the Target Fund, (i) investors may still suffer losses even if there are gains or no losses in the value of the non-RMB denominated underlying investments; or (ii) investors may suffer additional losses if the non-RMB denominated underlying investments of the Target Fund fall in value).

If the counterparties of the instruments used for hedging purposes default, investors of the currency hedged classes may be exposed to the currency exchange risk on an unhedged basis and may therefore suffer further losses.

The Target Fund currently offers different currency hedged classes which are primarily targeted for investors whose base currencies of investment are the currencies of the currency hedged classes.

Each currency hedged class may hedge the Target Fund's denominated currency back to its currency of denomination, with an aim to provide a return on investment which correlates with the return of the class which is denominated in the base currency of the Target Fund by reducing the effect of exchange rate fluctuations between the base currency of the Target Fund and the currency hedged classes whilst taking into account practical considerations such as transaction costs. However, the return of the currency hedged classes will never correlate perfectly to the class which is denominated in the base currency of the Target Fund due to various factors, including but not limited to short-term interest rate differentials, unrealized gains/losses on currency forward positions not being invested until the gains/ losses are realised and transaction costs attributable to the hedging activity. Investors should also note that the distribution amount and/or rate of the currency hedged classes may be more than or less than such amount and/or rate of the class which is denominated in the base currency of the Target Fund due to various factors, including but not limited to short-term interest rate differentials. Where the currency hedged class is subject to a performance fee, it should be noted that any divergence in the performance of different classes (for the reasons stated above), or different launch dates of different classes, could result in any such performance fees becoming chargeable at different points in time, as different classes reach their high watermark at different points in time. Accordingly, the performance fee may adversely impact the correlation between different classes.

Consequently, a currency hedged class is not recommended for investors whose base currency of investment is not in the same currency of such currency hedged class. Investors who choose to convert other currencies into such base currency to invest in such currency hedged class should understand that they may be exposed to higher currency risks and may suffer a higher loss as a result of exchange rate fluctuations than an investor whose base currency of investment is in the same currency of the currency hedged class.

To the extent that hedging is successful for a particular currency hedged class, the performance of the currency hedged class is likely to move in line with the performance of the underlying assets with the result that investors in that currency hedged class will not gain if the class currency falls against the base currency of the Target Fund.

It is intended that the currency hedging strategy which will be employed will be based on the most up-to-date information in relation to the net asset value of the Target Fund, and will also take into account future transactions relating to investor activity that will be processed through each class of units in the Target Fund as at the relevant valuation point. The currency hedging strategy will be monitored and adjusted in line with the valuation cycle at which investors are able to subscribe to and redeem from the Target Fund.

Futures, forwards, options and contracts for difference may be used to hedge against downward movements in the value of the Target Fund's portfolio, either by reference to specific securities or markets to which the Target Fund may be exposed.

Forward foreign exchange contracts are also used more specifically to hedge the value of certain classes of units in the Target Fund against changes in the exchange rate between the currency of denomination of the class of units and the base currency of the Target Fund.

- **Risks of investing in other collective investment schemes** – The Target Fund may invest in other collective investment schemes. The underlying investment schemes in which the Target Fund may invest may not be regulated by the SFC. The Target Fund does not have control of the investments of the underlying schemes. Investment decisions of the underlying schemes are made at the level of such schemes. There can be no assurance that (i) the selection of the managers of the underlying schemes will result in an effective diversification of investment styles and that positions taken by the underlying schemes will always be consistent; and (ii) the investment objective and strategy of the underlying schemes will be successfully achieved. There is also no guarantee that the underlying schemes will always have sufficient liquidity to meet the Target Fund's redemption requests as and when made. As a result, the foregoing may have a negative impact on the net asset value of the Target Fund.

There may be additional costs involved when investing into the underlying schemes. The Target Fund bears the fees payable to the Manager and its other service providers, as well as, indirectly, a proportionate share of the fees paid by the underlying schemes to their managers and the service providers of the underlying schemes (such as subscription fee, redemption fee, management fee and other costs and charges payable to the managers and service providers of the underlying schemes). For the avoidance of doubt, where the Target Fund invests into an underlying scheme managed by the Target Fund Manager, the investment delegates (if any) or any of their respective connected persons, all initial charges and redemption charges on such underlying scheme will be waived. Further, the Target Fund Manager or any person acting on behalf of the Target Fund or the Target Fund Manager will not obtain a rebate on any fees or charges levied by the underlying scheme or its management company or any quantifiable monetary benefits in connection with investments in any underlying scheme.

The Target Fund may invest in shares or units of a collective investment scheme managed by the Target Fund Manager, the investment delegates (if any), or any of their respective connected persons. It is possible that any of the Target Fund Manager, the investment delegates (if any) or any of their respective connected persons may, in the course of business, have potential conflicts of interest with the Target Fund. In the event of such conflicts, the Target Fund Manager will endeavour to ensure that such conflicts are resolved fairly and all transactions between the Target Fund and any of them are on an arm's length basis.

- **Risks relating to Investment in ETFs** –

  Passive investments

  The ETFs that the Target Fund invests in may not be "actively managed" and the managers of such ETFs do not have the discretion to adapt to market changes due to the inherent investment nature of such ETFs. Therefore, when there is a decline in the underlying index of the ETFs, the ETFs will also decrease in value, which may adversely affect the value of the Target Fund.

  Tracking error risk

  Due to fees and expenses of an ETF that the Target Fund invests in, liquidity of the market and different investment strategies adopted by the manager of the ETF, the ETF's return may deviate from that of the underlying index. Although the manager of the ETF will monitor and seek to manage such risk in minimising tracking error, there can be no assurance of exact or identical replication at any time of the performance of the underlying index.

  Trading risk

  Generally, the Target Fund can only buy or sell units/shares of an ETF on any securities exchange. The trading price of units/shares of an ETF on a securities exchange is driven by market factors such as the demand and supply of such units/shares. Therefore, such units/shares may trade at a substantial premium or discount to the relevant ETF's net asset value.

  As investors will pay certain charges (e.g. trading fees and brokerage fees) to buy or sell units/shares of an ETF on a securities exchange, the Target Fund may pay more than the net asset value per unit/share when buying units/shares of an ETF on a securities exchange, and may receive less than the net asset value per unit/share when selling units/shares of an ETF on a securities exchange.

  Trading differences risk

  As the relevant stock exchanges may be open when units/shares in an ETF that the Target Fund invests in are not priced, the value of the securities in the relevant ETF's portfolio may change on days when investors like the Target Fund will not be able to purchase or sell the ETF's units/shares.

  Differences in trading hours between the relevant stock exchanges and the stock exchange on which an ETF is listed may also increase the level of premium or discount of the unit/share price to the net asset value of an ETF, which in turn, may affect the value of the Target Fund.

  Termination risk

  The ETFs that the Target Fund invests in may be terminated early under certain circumstances, for example, where the underlying index is no longer available for benchmarking or if the size of the relevant ETF falls below a pre-determined threshold as set out in the constitutive documents and offering documents. Investors like the Target Fund may not be able to recover its investments and suffer a loss when the relevant ETF is terminated.

  Reliance on market maker risk

  Although the manager of an ETF that the Target Fund invests in will ensure that there will be market making arrangement in place, there is no guarantee that any market making activity will be effective. Also, liquidity in the market for the units/shares of the relevant ETF may be adversely affected if there is no or only one market maker for the relevant ETFs.

- **Risks relating to REITs** – The prices of REITs are affected by changes in the value of the underlying properties owned by the REITs and may subject the Target Fund to risks similar to those from direct ownership of real property.

  Real estate investments are relatively illiquid and may affect the ability of a REIT to vary its investment portfolio or liquidate part of its assets in response to changes in economic conditions, international securities markets, foreign exchange rates, interest rates, real estate markets or other conditions.

  Returns from REITs are dependent on management skills in managing the underlying properties. REITs are subject to risk of defaults by borrowers or tenants. In the event of a default, a REIT may experience delays in enforcing its rights and may suffer losses as a result.

- **Legal infrastructure risk -** The Asian region has diverse legal, banking and exchange control systems with which the Fund may not be accustomed. Company laws in some targeted jurisdictions are in their early stage. In the development of these, certain new laws might have a negative impact on the value of an investment which cannot be foreseen at the time the investment is made. As the efficacy of such laws is as yet uncertain, there can be no assurance as to the extent to which rights of the Fund can be protected. In addition, there may also be a shortage of qualified judicial and legal professionals to interpret or advise upon recently enacted and future laws in some jurisdictions. The value of the Target Fund's portfolio can be affected negatively by changes in those legal, banking or exchange control systems. The Fund may lose money in those circumstances.

- **Performance fee -** The performance fee payable to the Target Fund Manager may create an incentive for the Target Fund Manager to make investments that are riskier or more speculative than would be the case in the absence of a performance fee. Prospective investors (including the Fund) should note that the management fee and performance fee payable to the Target Fund Manager are based in part upon unrealised gains (as well as unrealised losses), and that such unrealised gains and losses may never be realised by the Target Fund.

  There is no equalisation arrangement in respect of the calculation of the performance fees. As there is no adjustment of equalisation credit or equalisation losses on an individual investor basis, an investor may incur a performance fee notwithstanding the investor may have suffered a loss in investment in the units of the Target Fund. On the other hand, an investor may not be subject to any performance fee notwithstanding the investor concerned may have realised a gain in investment in the units of the Target Fund.

  In addition, performance fees may be paid on unrealised gains which may never be realised by the Target Fund.

- **Accounting and reporting standards -** The accounting standards and regulatory requirements of financial reporting and information disclosure in some markets in which the Target Fund may invest may not follow international standards as there are differences between international standards and reporting practices in such markets. These differences may lie in areas such as different valuation methods of the properties or the assets, and the requirements for disclosure of information to the Fund. Therefore, the Target Fund may be forced to make investment decisions based on incomplete or incorrect data. If those data turn out to be incomplete or incorrect, the security in which the Target Fund has invested into could decline in value or become valueless. The Fund may lose money in those circumstances.

- **Valuation and accounting –** Valuation of the Target Fund's investment may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Target Fund. In some instances where there may be no liquidity or no bid or offer prices or no reliable bid or offer prices quoted for certain securities that the Target Fund may invest in, in particular debt securities and securities that are not listed or quoted on a recognised market, it may be difficult to determine the appropriate valuation of such investments and the Target Fund Manager may have a conflict of interest in striking such valuation since its management and performance fees will be affected by the value of assets under management. The Target Fund Manager may in such instances request for a revaluation to be made by a professional person approved by the trustee.

Further, under current market conditions, it may be the case that the bid-offer spread will be very wide for financial instruments held by the Target Fund, particularly in the case of debt securities that are not listed on a recognised stock exchange, although such spread may be expected to narrow over time. One consequence of this is that to the extent the Target Fund values its portfolio by reference to bid prices, it will incur an immediate diminution in net asset value on the purchase of such debt instruments.

The Target Fund Manager adopts the International Financial Reporting Standards ("IFRS") in drawing up the annual reports of the Target Fund, and interim reports will apply the same accounting policies and method of computation as are applied in the annual reports of the Target Fund. However, the calculation of the net asset value of the Target Fund which the Target Fund Manager intends to adopt for the purpose of the calculation of various fees may not necessarily be in compliance with the IFRS. Accordingly, the net asset value of the Target Fund may not necessarily be the same as the net asset value to be reported in the annual reports as the Target Fund Manager may make necessary adjustments in the annual reports to comply with IFRS.

- **Foreign account tax compliance act -** Subject to the discussion regarding the intergovernmental agreement ("IGA") below, sections 1471 – 1474 (referred to as "FATCA") of the United States ("U.S.") Internal Revenue Code of 1986, as amended ("IRS Code") impose rules with respect to certain payments to non-United States persons, such as the Target Fund, including interest and dividends from securities of U.S. issuers. All such payments (referred to as "withholdable payments") may be subject to withholding at a 30% rate, unless the recipient of the payment satisfies certain requirements intended to enable the U.S. Internal Revenue Service ("IRS") to identify United States persons (within the meaning of the IRS Code) with interests in such payments. While such withholding would have applied also to payments of gross proceeds from the sale or other disposition on or after 1 January 2019 of property of a type which can produce U.S. source dividends and interest, recently proposed U.S. Treasury regulations eliminate such withholding on payments of gross proceeds entirely. Taxpayers generally may rely on these proposed U.S. Treasury regulations until final U.S. Treasury regulations are issued. To avoid such withholding on payments made to it, a foreign financial institution (an "FFI"), such as the Target Fund (and, generally, other investment funds organised outside the United States), generally will be required to enter into an agreement (an "FFI Agreement") with the IRS, under which it will agree to identify its direct or indirect United States owners and report certain information concerning such United States owners to the IRS.

  The FFI Agreement will also generally require that an FFI withhold U.S. tax at a rate of 30% on certain payments to investors who fail to cooperate with certain information requests made by the FFI or on such payments made to investors that are FFIs that have not entered into an FFI Agreement with the IRS.

  On 13 November 2014, Hong Kong entered into the IGA for the implementation of FATCA, adopting "Model 2" IGA arrangements. Under this "Model 2" IGA arrangements, FFIs in Hong Kong (such as the Target Fund) would be required to register with the IRS and comply with the terms of the FFI Agreement. Otherwise they will be subject to a 30% withholding tax on relevant U.S.-sourced payments they receive.

  Under the IGA, FFIs in Hong Kong (such as the Target Fund) complying with the FFI Agreement (i) will generally not be subject to the above described 30% withholding tax on payments they receive; and (ii) will not be required to withhold tax on withholdable payments to recalcitrant accounts (i.e. accounts of which the holders do not consent to FATCA reporting and disclosure to the IRS) or close those recalcitrant accounts (provided that information regarding such recalcitrant account is reported to the IRS pursuant to the provisions of the IGA), but may be required to withhold tax on withholdable payments made to non-compliant FFIs. Withholding may be required with respect to withholdable payments to recalcitrant accounts if, pursuant to certain exchange of information provisions contained in the IGA, the IRS has not obtained information regarding such recalcitrant account holders within a time period specified in the IGA.

  The Target Fund will endeavour to satisfy the requirements imposed under FATCA, the IGA and the FFI Agreement to avoid any withholding tax. In particular, the Target Fund has been registered with the IRS as a reporting Model 2 FFI with Global Intermediary Identification Number BE4VWJ.99999.SL.344. In the event that the Target Fund is not able to comply with the requirements imposed by FATCA, the IGA, or the FFI Agreement and the Target Fund does suffer U.S. withholding tax on its investments as a result of non-compliance, the net asset value of the Target Fund may be adversely affected and the Target Fund may suffer significant loss as a result. In addition, prospective investors should note that underlying collective investment schemes in which the Target Fund invests may be required to satisfy their own FATCA compliance obligations, and failure by any underlying collective investment scheme to fully comply with its FATCA obligations may have an adverse impact on the net asset value of the Target Fund.

To the extent that the Target Fund suffers withholding tax on its investments as a result of FATCA, the trustee of the Target Fund on behalf of the Target Fund may, after completing due process to ascertain and confirm that an investor has failed to cooperate and provide the required information, bring legal action against such investor for losses suffered by the Target Fund as a result of such withholding tax.

Each investor and prospective investor should consult with his/her own tax advisor as to the potential impact of FATCA in his/her own tax situation.

- **Risks associated with investment in Mainland China -** The imposition of additional governmental restrictions in the Mainland China may affect some or all of the investments held by the Target Fund in the Mainland China. Investors (including the Fund) should also note that any change in the policies of the Mainland China may have an adverse impact on the securities market in the Mainland China as well as the underlying securities of the Target Fund, which may result in an adverse impact on the performance of the Target Fund.

  The economy in the Mainland China has experienced rapid growth in recent years. However, such growth may or may not continue nor apply evenly across different sectors of the Mainland China economy. The PRC government has also implemented various measures from time to time to prevent overheating of the economy. All these may have an adverse impact upon the performance of the investments of the Target Fund which are related to the Mainland China.

- **Legal system of the Mainland China -** The legal system of the Mainland China is based on written laws and regulations. The PRC government is continuously making improvements on its commercial laws and regulations. However, many of these laws and regulations are still untested and the enforceability of such laws and regulations remains unclear. In particular, the Mainland China regulations which govern currency exchange in the Mainland China and the investments of the Target Fund as a foreign investor are relatively new and their application is uncertain. Such regulations also empower the China Securities Regulatory Commission ("CSRC") and the State Administration of Foreign Exchange ("SAFE") to exercise discretion in their respective interpretation of the regulations, which may result in uncertainties in their application.

- **RMB depreciation** – The Target Fund may invest in RMB-denominated investments which are related to the Mainland China and investments whose value the Target Fund Manager believes would be boosted by a RMB appreciation. Conversely, the value of the Target Fund may be adversely affected in the event of RMB depreciation. The Fund may lose money in such circumstances.

- **Risk associated with RMB classes of units** – Starting from 2005, the exchange rate of the RMB is no longer pegged to the US dollar. The RMB has now moved to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. The daily trading price of the RMB against other major currencies in the inter-bank foreign exchange market would be allowed to float within a narrow band around the central parity published by the People's Bank of China. As the exchange rates are based primarily on market forces, the exchange rates for RMB against other currencies, including USD and Hong Kong dollars, are susceptible to movements based on external factors.

  The possibility that the appreciation of RMB will be accelerated cannot be excluded. On the other hand, there is no assurance that the RMB will not be subject to devaluation. Any devaluation of the RMB could adversely affect the value of investors' investments in the RMB classes of units. If investors are non RMB-based (e.g. Hong Kong) investors and convert other currencies into RMB so as to invest in the RMB classes of units and subsequently convert the RMB redemption proceeds back into other currencies, they may incur currency conversion costs and may suffer a loss if RMB depreciates against such other currencies.

  In addition, under the current regulations, the rate at which RMB may be exchanged outside Mainland China (in the case of Hong Kong, the "CNH" rate) may be different from the exchange rate within Mainland China (the "CNY" rate) and such divergence may increase due to supply and demand. When calculating the value of the RMB classes of units, reference to the CNH rate rather than the CNY rate will be made and the value of the RMB classes of units thus calculated will be affected by fluctuations in the CNH rate. While CNH and CNY represent the same currency, they are traded in different and separate markets which operate independently. As such, CNH does not necessarily have the same exchange rate and may not move in the same direction as CNY. Any divergence between CNH and CNY may adversely impact investors.

In respect of the hedged RMB classes of units, the Target Fund Manager may attempt to hedge the base currency of the Target Fund and/or other currencies of non-RMB-denominated underlying investments of the Target Fund back to RMB. The costs of the hedging transactions will be reflected in the net asset value of the hedged RMB classes of units and therefore, an investor of such hedged RMB classes of units will have to bear the associated hedging costs, which may be significant depending on prevailing market conditions. If the counterparties of the instruments used for hedging purpose default, investors of the hedged RMB classes of units may be exposed to RMB currency exchange risk on an unhedged basis and may therefore suffer further losses.

Furthermore, there is no guarantee that the hedging strategy will be effective and investors may still be subject to the RMB currency exchange risk which may apply to the non-hedged RMB Class. For instance, where RMB depreciates against currencies of the non-RMB denominated underlying investments of the Target Fund, (i) investors may still suffer losses even if there are gains or no losses in the value of the non-RMB-denominated underlying investments; or (ii) investors may suffer additional losses if the non-RMB denominated underlying investments of the Target Fund fall in value.

Whilst the hedging strategy may protect investors against a decline in the value of the Target Fund's base currency and/or other currencies of non-RMB-denominated underlying investments relative to RMB, investors will not benefit from any potential gain in the value of the hedged RMB classes of units if the Target Fund's base currency and/or other currencies of non-RMB-denominated underlying investments of the Target Fund rise against RMB. Please also refer to the above risk factor "Hedging risk".

It should be noted that the RMB is currently not a freely convertible currency as it is subject to foreign exchange control policies of the Chinese government. The Chinese government's policies on exchange control and repatriation restrictions are subject to change and the investors' investment in the RMB classes of units may be adversely affected.

The PRC government's imposition of restrictions on the repatriation of RMB out of Mainland China may limit the depth of the RMB market outside the Mainland China and make it impossible for the Target Fund to hold sufficient amounts of RMB outside the Mainland China to meet redemption requests in RMB. Due to the exchange controls and restrictions applicable to RMB, the Target Fund may not be able to get sufficient amounts of RMB in a timely manner to meet redemption requests of the RMB classes of units as a substantial portion of its underlying investments are non-RMB denominated.

Even if the Target Fund aims to pay redemption proceeds and/or dividends to investors of the RMB classes of units in RMB, investors may not receive RMB upon redemption of their investments or receive dividend payments in RMB under extreme market conditions when there is not sufficient RMB for currency conversion. Under such circumstances, the Target Fund Manager may pay redemption proceeds and/or dividends in USD. There is also a risk that payment of investors' redemption proceeds and/or dividends in RMB may be delayed when there is not sufficient RMB for currency conversion for settlement of the redemption proceeds and dividends as a result of the exchange controls and restrictions applicable to RMB. Assuming no delay in submitting completed documentation by the redeeming investor and the Target Fund Manager not exercising any of the powers described below under the section headed "Suspension of the Determination of the net asset value of the Target Fund", the maximum period for paying the redemption proceeds which should elapse between the receipt of a valid redemption request and the date of despatch of redemption moneys is 30 days.

- **Risks relating to China A Shares market –** Investing in China A Shares market may be subject to greater political, economic, legal and regulatory risks. For further details, please see the risk factors "Risks associated with investment in Mainland China" and "Legal system of the Mainland China" above.

  The China A Shares market may be volatile and unstable (for example, due to the risk of suspension of a particular stock or government intervention. For further details, please see risk factor "Liquidity risk of investing in China A Shares and China B Shares" below). Market volatility and instability in the China A Shares markets may result in prices of securities traded on such markets fluctuating significantly resulting in substantial changes in the net asset value of the Target Fund.

- **Liquidity risk of investing in China A Shares and China B Shares –** China A Shares may be subject to trading bands which restrict increases and decreases in the trading price. If the trading price of any China A Shares has increased or decreased to the extent beyond the trading band limit during the day, trading in the China A Shares on the relevant stock exchange may be suspended. The Target Fund if investing through the Stock Connects, CAAP issuers and A Shares CIS will be prevented from trading China A Shares when they hit the "trading band limit". If this happens on a particular trading day, the Target Fund, CAAP issuers and A Shares CIS may be unable to trade China A Shares. When the Target Fund Manager trades China B Shares for the account of the Target Fund, the Target Fund Manager may also be unable to trade China B Shares due to the "trading band limit". As a result, the liquidity of the CAAPs, A Shares CIS, China A Shares and China B Shares may be adversely affected which in turn may affect the value of the Target Fund's investments.

- **Risks associated with Stock Connects -** The Target Fund may invest through the Stock Connects. In addition to the risk factors headed "Risks associated with investment in Mainland China", "Legal system of the Mainland China", "Risk relating to China A shares market", "Liquidity risk of investing in China A Shares and China B Shares", "Mainland China tax risk" and "Renminbi depreciation", it is also subject to the following additional risks:

  Quota limitations – The Stock Connects are subject to quota limitations. In particular, once the remaining balance of the northbound daily quota drops to zero or the northbound daily quota is exceeded during the opening call session, new buy orders will be rejected (though investors will be allowed to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the Target Fund's ability to invest in China A Shares through the Stock Connects on a timely basis, and the Target Fund may not be able to effectively pursue its investment strategies.

  Suspension risk – Each of the SEHK, SSE and SZSE reserves the right to suspend Northbound and/or Southbound trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the Northbound trading through the Stock Connects is effected, the Target Fund's ability to access the Mainland China market will be adversely affected.

  Differences in trading days – The Stock Connects only operate on days when both the Mainland China and Hong Kong stock markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the Mainland China stock markets but Hong Kong investors (such as the Target Fund) cannot carry out any China A Shares trading. Due to the differences in trading days, the Target Fund may be subject to a risk of price fluctuations in China A Shares on a day that the Mainland China stock markets are open for trading but the Hong Kong stock market is closed.

  Operational risk – The Stock Connects provide a channel for investors from Hong Kong and overseas to access the Mainland China stock markets directly.

  The Stock Connects are premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this programme subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

  Market participants generally have configured and adapted their operational and technical systems for the purpose of trading China A Shares through the Stock Connects. However, it should be appreciated that the securities regimes and legal systems of the two markets differ significantly and in order for the programme to operate, market participants may need to address issues arising from the differences on an on-going basis.

  Further, the "connectivity" in the Stock Connects requires routing of orders across the border. SEHK has set up an order routing system ("China Stock Connect System") to capture, consolidate and route the cross-boundary orders input by exchange participants. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the programme could be disrupted. The Target Fund's ability to access the China A Shares market (and hence to pursue its investment strategy) will be adversely affected.

Restrictions on selling imposed by front-end monitoring – Mainland China regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise SSE or SZSE will reject the sell order concerned. SEHK will carry out pre-trade checking on China A Share sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

Generally, if the Target Fund desires to sell certain China A Shares it holds, it must transfer those China A Shares to the respective accounts of its brokers before the market opens on the day of selling ("trading day"). If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, the Target Fund may not be able to dispose of holdings of China A Shares in a timely manner.

However, the Target Fund may request a custodian to open a special segregated account ("SPSA") in CCASS to maintain its holdings in China A Shares under the enhanced pre-trade checking model. Each SPSA will be assigned a unique "Investor ID" by CCASS for the purpose of facilitating China Stock Connect System to verify the holdings of an investor such as the Target Fund. Provided that there is sufficient holding in the SPSA when a broker inputs the Target Fund's sell order, the Target Fund will be able to dispose of its holdings of China A Shares (as opposed to the practice of transferring China A Shares to the broker's account under the current pre-trade checking model for non-SPSA accounts). Opening of the SPSA accounts for the Target Fund will enable it to dispose of its holdings of China A Shares in a timely manner.

Recalling of eligible stocks – When a stock is recalled from the scope of eligible stocks for trading via the Stock Connects, the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the Target Fund, for example, when the Target Fund Manager wishes to purchase a stock which is recalled from the scope of eligible stocks.

Clearing and settlement risk – The HKSCC and ChinaClear have established the clearing links and each is a participant of each other to facilitate clearing and settlement of cross boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

Should the remote event of ChinaClear default occur and ChinaClear be declared as a defaulter, HKSCC's liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the Target Fund may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

Participation in corporate actions and shareholders' meetings – The HKSCC will keep CCASS participants informed of corporate actions of stocks listed on the SSE market ("SSE Securities") and eligible shares listed on the SZSE market ("SZSE Securities"). Where the articles of association of a listed company do not prohibit the appointment of proxy/multiple proxies by its shareholder, HKSCC will make arrangements to appoint one or more investors as its proxies or representatives to attend shareholders' meetings when instructed. Further, investors (with holdings reaching the thresholds required under the Mainland China regulations and the articles of associations of listed companies) may, through their CCASS participants, pass on proposed resolutions to listed companies via HKSCC under the CCASS rules. HKSCC will pass on such resolutions to the companies as shareholder on record if so permitted under the relevant regulations and requirements. Hong Kong and overseas investors (including the Target Fund) are holding SSE Securities and SZSE Securities traded via the Stock Connects through their brokers or custodians, and they will need to comply with the arrangement and deadline specified by their respective brokers or custodians (i.e. CCASS participants). The time for them to take actions for some types of corporate actions of SSE Securities and SZSE Securities may be very short. Therefore, it is possible that the Target Fund may not be able to participate in some corporate actions in a timely manner.

Currency risk – As the Target Fund is denominated in USD, the performance of the Target Fund may be affected by movements in the exchange rate between RMB (i.e. the currency in which SSE Securities and SZSE Securities are traded and settled) and USD. The Target Fund may, but is not obliged to, seek to hedge foreign currency risks. However, even if undertaken, such hedging may be ineffective. On the other hand, failure to hedge foreign currency risks may result in the Target Fund suffering from exchange rate fluctuations. For further details on exchange risk, please see risk factor on "Foreign exchange risk" above.

No Protection by Investor Compensation Fund – Investments through the Stock Connects are conducted through brokers, and are subject to the risks of default by such brokers' in their obligations.

The Target Fund's investments through Northbound trading under the Stock Connects are not covered by the Hong Kong's Investor Compensation Fund. Therefore, the Target Fund is exposed to the risks of default of the broker(s) it engages in its trading in China A Shares through the Stock Connects. Further, since the Target Fund is carrying out Northbound trading through securities brokers in Hong Kong but not Mainland China brokers, it is not protected by the China Securities Investor Protection Fund in the Mainland China.

Regulatory risk – The Stock Connects are novel in nature, and the Stock Connects will be subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the Mainland China and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under the Stock Connects.

It should be noted that the regulations are untested and there is no certainty as to how they will be applied. Moreover, the current regulations are subject to change. There can be no assurance that the Stock Connects will not be abolished. The Target Fund, which may invest in the Mainland China stock markets through the Stock Connects, may be adversely affected as a result of such changes.

- **Risks associated with the Small and Medium Enterprise Board of the SZSE ("SME Board") and/or ChiNext Board of the SZSE ("ChiNext Board")** – The Target Fund may have exposure to stocks listed on SME Board and/or ChiNext Board.

  Higher fluctuation on stock prices - Listed companies on the SME Board and/or ChiNext Board are usually of emerging nature with smaller operating scale. Hence, they are subject to higher fluctuation in stock prices and liquidity and have higher risks and turnover ratios than companies listed on the Main Board of the SZSE ("Main Board").

  Over-valuation risk - Stocks listed on SME Board and/or ChiNext Board may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

  Differences in regulation - The rules and regulations regarding companies listed on ChiNext Board are less stringent in terms of profitability and share capital than those in the Main Board and SME Board.

  Delisting risk - It may be more common and faster for companies listed on the SME Board and/or ChiNext Board to delist. This may have an adverse impact on the Target Fund if the companies that it invests in are delisted.

  Investments in the SME Board and/or ChiNext Board may result in significant losses for the Target Fund.

- **Risks associated with CAAPs -** The policy and regulations imposed by the PRC government on the access into the China A Shares m arkets are subject to change and any such change may adversely impact the issuance of CAAPs invested by the Target Fund. Investors should note that there can be no assurance that the Target Fund may be able to maintain or obtain a sufficient investment in CAAPs. This may have an impact on the Fund's investment in the Target Fund. If any CAAP issuer has insufficient investment quota (if applicable), the CAAP issuer may cease to extend the duration of any CAAPs or to issue further CAAPs and the Target Fund may be required to dispose of its existing CAAPs.

  Further, the Target Fund will be exposed to the counterparty risk associated with each CAAP issuer. Because a CAAP is a payment obligation of the CAAP issuer, rather than a direct investment in China A Shares, the Target Fund may suffer losses potentially equal to the full value of the CAAP if the CAAP issuer were to become insolvent or fails to perform its payment obligations under the CAAPs.

- **Risks associated with A Shares CIS**

  Risk related to QFII/RQFII Policy – The current QFII/RQFII policy and regulations are subject to change, which may take retrospective effect. In addition, there can be no assurance that the QFII/RQFII regulations will not be abolished. The Target Fund, which indirectly invests in the China A Shares markets through A Shares CIS, may be adversely affected as a result of such changes.

Further, the QFII/RQFII licence of the QFII/RQFII holder of A Shares CIS may be revoked or terminated or otherwise invalidated, or the investment quota (if applicable) granted by PRC government to the QFII/RQFII holder of A Shares CIS may be reduced or withdrawn, at any time by reason of a change in applicable law, regulations, policy, practice or other circumstances, an act or omission of the QFII/RQFII holder or for any other reasons. In such event, all or part of the assets held by the Mainland China QFII/RQFII custodian for the account of the A Shares CIS will be liquidated and repatriated to a bank account maintained for and on behalf of the A Shares CIS outside of the Mainland China in accordance with applicable laws and regulations. The A Shares CIS may suffer significant loss as a result of such liquidation and repatriation, and consequently, the Target Fund investing in such A Shares CIS may also suffer losses.

Under the relevant Mainland China law, regulations or measures, there are restrictions on repatriation of funds out of the Mainland China. Thus, the Target Fund may be exposed, indirectly, to risks associated with remittance and repatriation of monies, through its investment in A Shares CIS. The Target Fund may be adversely affected and may be exposed to potential losses by the ability of the underlying A Shares CIS to meet redemption requests and may therefore be subject to reduced liquidity.

Custodial risk – Custodians or sub-custodians may be appointed in local market for purpose of safekeeping assets of the A Shares CIS. Lack of adequate custodial systems in the Mainland China may subject the A Shares CIS to greater custodial risks. The A Shares CIS may also incur losses due to a default, act or omission of the Mainland China custodian in the execution or settlement of any transaction or in the transfer of any funds or securities. If the Mainland China custodian defaults, the A Shares CIS may suffer substantial losses. In the event of liquidation of the Mainland China custodian, the assets contained in cash account(s) with the Mainland China custodian may form part of the liquidation assets of the Mainland China custodian, and the A Shares CIS may become an unsecured creditor of the Mainland China custodian. This may affect the value of the Target Fund's investments.

Other risks – Other factors such as RMB depreciation, restriction or delay in RMB currency conversion, QFII/RQFII investment restriction, illiquidity of the China A Shares market, and delay or disruption in execution of trades or in settlement of trades may also have negative impacts on A Shares CIS and in turn, the Target Fund investing in A Shares CIS under such circumstances may also incur losses.

- **Mainland China tax risk** – The tax laws, regulations and practice in the Mainland China are constantly changing, and they may be changed with retrospective effect. Any increased tax liabilities on the Target Fund may adversely affect the Target Fund's value.

  The Target Fund Manager will assess the tax provisioning approach on an on-going basis. Should the Mainland China tax policies change, the Target Fund Manager may decide to set aside a provision to meet any potential tax liability in the future.

ABOUT AHAM WORLD SERIES – DIVIDEND VALUE FUND

FUND CATEGORY	:	Feeder (Wholesale)	**BASE CURRENCY**	:	USD
FUND TYPE	:	Growth	**FINANCIAL YEAR END**	:	31 March
DISTRIBUTION POLICY	:	Subject to the availability of income, the Fund endeavours to distribute income on a monthly basis.			

INVESTMENT OBJECTIVE

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

Note : Any material changes to the Fund's investment objective would require Unit Holders' approval.

ASSET ALLOCATION

- A minimum 70% of the Fund's NAV to be invested in the Target Fund; and
- A maximum of 30% of the Fund's NAV to be invested in money market instruments and/or deposits.

INVESTMENT STRATEGY

The Fund will be investing in a minimum of 70% of the Fund's NAV in the Target Fund and a maximum of 30% of the Fund's NAV in money market instruments and/or deposits.

The Manager holds the discretion to substitute the Target Fund with another fund that has similar objective of the Fund, if, in the Manager's opinion, the Target Fund no longer meets the Fund's investment objective. However, this is subject to the Unit Holder's approval before such change is made.

Temporary Defensive Measure

We may take temporary defensive positions that may be inconsistent with the Fund's principal strategy and asset allocation by reducing its investments in the Target Fund and raise the liquidity levels of the Fund during adverse market conditions that may impact financial markets to protect the Unit Holders' interest. In raising the Fund's liquidity levels, we may also invest in collective investment schemes that are able to meet the Fund's investment objective. To manage the risk of the Fund, we may shift the Fund's focus and exposure to lower risk investments such as deposits or money market instruments.

Derivatives

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

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

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

Cross Trades

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

PERMITTED INVESTMENTS

The Fund will invest in the following investments:

- Collective investment scheme;
- Money market instruments;
- Deposits;
- Derivatives; and
- Any other form of investments as may be determined by the Manager from time to time that is in line with the Fund's objective.

VALUATION OF ASSETS

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

- **Unlisted collective investment schemes**

  Valuation of investments in unlisted collective investment schemes shall be based on the last published repurchase price.

- **Deposits**

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

- **Money Market Instruments**

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

- **Derivatives**

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

- **Any Other Investments**

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

VALUATION POINT OF THE FUND

The Fund will be valued at 6.00 p.m. on every Business Day (or "trading day" or "T day"). However, if the Fund has exposure to investments outside of Malaysia, the Fund shall be valued at 12.30 p.m. on the next Business Day (or "T + 1 day"). All foreign assets will be translated into the Base Currency based on the bid exchange rate quoted by Bloomberg/Refinitiv at 4.00 p.m. (United Kingdom time) which is equivalent to 11.00 p.m. or 12.00 midnight (Malaysian time) on the same day, or at such time as stipulated in the investment management standards issued by the FiMM.

ABOUT THE CLASSES

If you intend to invest in a Class other than MYR Class, you are required to have a foreign currency account with any Financial Institution as all transactions relating to the particular foreign currency will ONLY be made through telegraphic transfers.

<table>
<tr><th>Classes</th><th>MYR Class</th><th>USD Class</th><th>AUD Class</th><th>SGD Class</th></tr>
<tr><td>Minimum Initial Investment*</td><td>MYR 30,000</td><td>USD 10,000</td><td>AUD 10,000</td><td>SGD 10,000</td></tr>
<tr><td>Minimum Additional Investment*</td><td>MYR 10,000</td><td>USD 5,000</td><td>AUD 5,000</td><td>SGD 5,000</td></tr>
<tr><td>Minimum Repurchase Units*</td><td>10,000 Units</td><td>10,000 Units</td><td>10,000 Units</td><td>10,000 Units</td></tr>
<tr><td rowspan="2">Minimum Units Held*</td><td>10,000 Units</td><td>10,000 Units</td><td>10,000 Units</td><td>10,000 Units</td></tr>
<tr><td colspan="4">If the balance of your investment (i.e. total number of Units) is less than the minimum holding of Units, you will be required to make an additional investment in order to meet the required minimum balance of investment. Otherwise, we may withdraw all your holding of Units in the Fund and pay the proceeds to you.</td></tr>
<tr><td>Minimum Units Per Switch*</td><td>60,000 Units</td><td>20,000 Units</td><td>20,000 Units</td><td>20,000 Units</td></tr>
<tr><td>Unitholdings in Different Classes</td><td colspan="4">You should note that there are differences when purchasing Units of the MYR Class and other Classes in the Fund. For illustration purposes, assuming you have MYR 10,000 to invest:
<table>
<tr><th>Class(es)</th><th>MYR Class</th><th>USD Class</th><th>AUD Class</th><th>SGD Class</th></tr>
<tr><td>NAV per Unit</td><td>MYR 0.50</td><td>USD 0.50</td><td>AUD 0.50</td><td>SGD 0.50</td></tr>
<tr><td>Currency exchange rate</td><td>USD 1
= MYR 4</td><td>USD 1
= USD 1</td><td>USD 1
= SGD 3</td><td>USD 1
= AUD 3</td></tr>
<tr><td>Invested amount</td><td>USD 10,000 x MYR 4 = MYR 40,000</td><td>USD 10,000 x USD 1 = USD 10,000</td><td>USD 10,000 x SGD 3= SGD 30,000</td><td>USD 10,000 x AUD 3 = AUD 30,000</td></tr>
<tr><td>Units received</td><td>MYR 40,000 ÷ MYR 0.50 = 80,000 Units</td><td>USD 10,000 ÷ USD 0.50 = 20,000 Units</td><td>SGD 30,000 ÷ SGD 0.50 = 60,000 Units</td><td>AUD 30,000 ÷ AUD 0.50 = 60,000 Units</td></tr>
</table>
Invested amount = USD 10,000 x currency exchange rate of the Class
Units received = Invested amount ÷ NAV per Unit of the Class
By purchasing Units of the USD Class, you will receive less Units for every USD invested in the Fund (i.e. 20,000 Units), compared to purchasing Units in MYR Class (i.e. 80,000 Units), AUD Class (i.e. 60,000 Units) or SGD Class (i.e. 60,000 Units). Upon a voting by poll, the votes by every Unit Holder present in person or by proxy shall be proportionate to the value of Units held by him or her. Hence, holding more number of Units may not give you an advantage when voting at Unit Holders' meetings. You should note that in a Unit Holders' meeting to terminate the Fund, a Special Resolution will only be passed by a majority in number representing at least three-fourths (3/4) of the value of the Units held by the Unit Holders present and voting at the meeting in person or by proxy.</td></tr>
</table>

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

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

ABOUT THE TARGET FUND - VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

BASE CURRENCY	:	USD
INCEPTION DATE	:	2 September 2002
COUNTRY OF ORIGIN	:	Hong Kong
REGULATORY AUTHORITY	:	Securities and Futures Commission of Hong Kong

TARGET FUND STRUCTURE

The Target Fund is an open-ended unit trust originally constituted under the laws of the Cayman Islands by a trust deed dated 7 August 2002, as amended from time to time and was regulated by the Cayman Islands Monetary Authority in the Cayman Islands. The Target Fund is authorised by the SFC under Section 104 of the Hong Kong Securities and Futures Ordinance.

THE TARGET FUND MANAGER

Value Partners Hong Kong Limited was incorporated in Hong Kong on 10 May 1999 and commenced its current operations in January 2008. It is licensed by the SFC for type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 5 (advising on futures contracts) and type 9 (asset management) regulated activities under the Hong Kong Securities and Futures Ordinance.

INVESTMENT OBJECTIVE AND POLICY OF THE TARGET FUND

The Target Fund aims to provide capital appreciation to unit holders by investing primarily (i.e. not less than 70% of the Target Fund's net asset value) in a portfolio of relatively higher yielding debt and equity securities in the Asian region.

The Target Fund will concentrate on investing in interest-bearing or dividend-distributing debt and equity securities of companies or issuers in the Asian markets, established in or operating principally in the Asian region or which, in the opinion of the Target Fund Manager, derive a significant proportion of their earnings or revenues from Asia. There are no fixed geographical, sectoral or industry weightings in the allocation of assets and the Target Fund Manager does not intend to follow benchmark indices in determining the geographical, sectoral or industry weightings of the Target Fund. For the avoidance of doubt, not less than 70% of the Target Fund's net asset value will be invested in equity securities.

The Target Fund may invest in securities issued by companies of any market size and in such proportions as the Target Fund Manager deems appropriate. Debt and equity securities that the Target Fund may invest in include but are not limited to listed debt securities, bonds, sovereign debts, listed equities, REITs, and ETFs.

The Target Fund Manager will use value investing strategies and a bottom-up research approach to select high income investments consistent with the Target Fund's investment objective. The Target Fund Manager aims to follow a buy-and-hold strategy to lower portfolio turnover to maximize the yield from investments.

The Target Fund Manager may invest in debt securities which (or the issuers of which) are below investment grade or unrated and investors should be aware of the greater risks which may be involved in investing in these securities. A debt security which is rated below investment grade is defined as a debt security which (or the issuer of which) is rated below BBB-/Baa3 by an internationally recognised credit rating agency (such as Standard & Poor's, Moody's and/or Fitch); and an "unrated" debt security is defined as a debt security which neither the security itself nor its issuer has a credit rating. The Target Fund Manager may invest not more than 30% of the Target Fund's latest available net asset value in debt securities which (or the issuers of which) are below investment grade or unrated. In addition, the Target Fund's assets may from time to time include cash, deposits, short-term papers, such as treasury bills, certificates of deposit, banker's acceptances, short-term commercial paper and other fixed income instruments. However, the Target Fund will not invest more than 10%of its net asset value in debt securities issued and/or guaranteed by a single sovereign issuer (including its government, public or local authority) which is below investment grade. The Target Fund Manager may also place a substantial portion of the portfolio in cash or cash equivalents. Under exceptional circumstances (e.g. market crash or major crisis), the Target Fund may be invested temporarily up to 100% in liquid assets such as deposits, treasury bills, certificates of deposit.

The Target Fund may invest in China A Shares via the Stock Connects, CAAPs and/or A Shares CIS. The investment in China A Shares through the Stock Connects, CAAPs and A Shares CIS is subject to a maximum exposure of 20% of the Target Fund's latest available net asset value and not more than 10% of the Target Fund's latest available net asset value may be invested in CAAPs issued by any single CAAP issuer.

The aggregate exposure to China A Shares and China B Shares will not exceed 20% of the Target Fund's latest available net asset value.

For the avoidance of doubt, the Target Fund will not in aggregate invest more than 20% of its latest available net asset value in the Mainland China market.

The Target Fund will have a limited exposure to investments denominated in RMB. Assets of the Target Fund denominated in RMB are valued with reference to the CNH rate. Under the current regulations, the CNH rate may be different from the CNY rate. While the CNH rate and the CNY rate represent the same currency, they are traded in different and separate markets which operate independently. As such, the CNH rate does not necessarily have the same exchange rate and may not move in the same direction as the CNY rate.

The Target Fund may also, on an ancillary basis, invest less than 30% of its net asset value in futures contracts, options, depository receipts, warrants, convertible bonds and units in any unit trust or shares in any mutual fund corporation or any other collective investment scheme (including those offered by the Target Fund Manager, its investment delegates (if any) or any of their connected persons). For the purposes of hedging market and currency risks, the Target Fund may invest in index and currency swaps and currency forwards.

The Target Fund does not invest in any asset backed securities (including asset backed commercial papers) or mortgage backed securities for hedging or non-hedging purposes. Nor does the Target Fund intend to engage in sale and repurchase transactions and reverse repurchase transactions. However, the Target Fund may enter into securities lending arrangements provided that the value of the securities to be loaned, together with the value of all other securities which are the subject of a loan by the Target Fund does not exceed 10% of its latest available net asset value.

The Target Fund issues several share classes and may issue new share classes with different features and requirements in future. The Fund will have full discretion to decide on share class to invest and may switch to different share class. Such decision will be made in the best interest of investors. Investors should note that the investment objective, investment strategy and risk profile of the Fund remain the same regardless the investment of the Fund in different share class.

INVESTMENT RESTRICTIONS AND PROHIBITIONS OF THE TARGET FUND

In accordance with the investment restrictions of the Target Fund, and as of the date of this Information Memorandum, the Target Fund Manager shall ensure that no investment shall be purchased or made for the account of the Target Fund if it results in:

(a) the aggregate value of the Target Fund's investments in, or exposure to, any single entity (other than government and other public securities) through the following may not exceed 10% of the latest available net asset value of the Target Fund:

    (1) investments in securities issued by such entity;

    (2) exposure to such entity through underlying assets of FDIs; and

    (3) net counterparty exposure to such entity arising from transactions of OTC FDIs;

(b) Subject to (a) above and Chapter 7.28(c) of the Code on Unit Trusts and Mutual Funds ("Code") and unless otherwise approved by the SFC, the aggregate value of the Target Fund's investments in, or exposure to, entities within the same group through the following may not exceed 20% of the latest available net asset value of the Target Fund:

    (1) investments in securities issued by such entity;

    (2) exposure to such entity through underlying assets of FDIs; and

    (3) net counterparty exposure to such entity arising from transactions of OTC FDIs;

(c) Unless otherwise approved by the SFC, the value of the Target Fund's cash deposits made with the same entity or entities within the same group may not exceed 20% of the latest available net asset value of the Target Fund, unless:

   (1) the cash is held before the launch of the Target Fund and for a reasonable period thereafter prior to the initial subscription proceeds being fully invested, or

   (2) the cash is proceeds from liquidation of investments prior to the merger or termination of the Target Fund, whereby the placing of cash deposits with various financial institutions would not be in the best interest of investors; or

   (3) the cash is proceeds received from subscriptions pending investments and held for the settlement of redemption and other payment obligations, whereby the placing of cash deposits with various financial institutions is unduly burdensome and the cash deposits arrangement would not compromise investors' interests;

   For the purposes of this paragraph, "cash deposits" generally refers to those that are repayable on demand or have the right to be withdrawn by the Target Fund and not referable to provision of property or services.

(d) Ordinary shares issued by a single entity held for the account of the Target Fund may not exceed 10% of the nominal amount of the ordinary shares issued by the same entity;

(e) Not more than 15% of the latest available net asset value of the Target Fund may be invested in securities and other financial products or instruments that are neither listed, quoted nor dealt on a stock exchange, OTC market or other organised securities market which is open to the international public and on which such securities are regularly traded.

(f) Notwithstanding (a), (b) and (d), not more than 30% of the latest available net asset value of the Target Fund may be invested in government and other public securities of the same issue;

(g) Subject to (f), the Target Fund may fully invest in government and other public securities in at least six different issues; "government and other public securities" means any investment issued by, or the payment of principal and interest on, which is guaranteed by a government, or any fixed-interest investment issued by its public or local authorities or other multilateral agencies. Government and other public securities will be regarded as being of a different issue if, even though they are issued by the same person, they are issued on different terms whether as to repayment dates, interest rates, the identity of the guarantor, or otherwise;

(h) Unless otherwise approved by the SFC on a case-by-case basis taking into account the liquidity of the physical commodities concerned and availability of sufficient and appropriate additional safeguards where necessary, the Target Fund may not invest in physical commodities;

(i) Unless otherwise provided under the Code, the spread requirements under paragraphs (a), (b), (d) and (e) do not apply to investments in other collective investment schemes by the Target Fund and for the avoidance of doubt, exchange traded funds that are:

   (1) authorised by the SFC under Chapter 8.6 or 8.10 of the Code; or

   (2) listed and regularly traded on internationally recognised stock exchanges open to the public (nominal listing not accepted) and:

      (i) the principal objective of which is to track, replicate or correspond to a financial index or benchmark, which complies with the applicable requirements under Chapter 8.6 of the Code; or

      (ii) the investment objective, policy, underlying investments and product features of which are substantially in line with or comparable with those set out under Chapter 8.10 of the Code,

   may either be considered and treated as (i) listed securities for the purposes of and subject to the requirements in paragraphs (a), (b) and (d) above; or (ii) collective investment schemes for the purposes of and subject to the requirements in paragraph (j)(1), (j)(2), provisos of (i) to (iii) of paragraph (j) below. However, the investments in exchange traded funds shall be subject to paragraph (e) above and, unless otherwise specified in the Target Fund Prospectus, investment by the Target Fund in exchange traded funds is considered and treated as listed securities for the purposes of and subject to the requirements in paragraphs (a), (b) and (d) above;

(j) where the Target Fund invests in shares or units of other collective investment schemes ("underlying schemes"),

  (1) the value of the Target Fund's investment in units or shares in underlying schemes which are non-eligible schemes (as determined by the SFC) and not authorised by the SFC, may not in aggregate exceed 10% of the latest available net asset value of the Target Fund; and

  (2) the Target Fund may invest in one or more underlying schemes which are either authorised by the SFC or eligible schemes (as determined by the SFC), but the value of the Target Fund's investment in units or shares in each such underlying scheme may not exceed 30% of the latest available net asset value of the Target Fund, unless the underlying scheme is authorised by the SFC and its name and key investment information are disclosed in the Target Fund Prospectus,

  provided that in respect of (1) and (2) above:

  (i) the objective of each underlying scheme may not be to invest primarily in any investment prohibited by Chapter 7 of the Code, and where that underlying scheme's objective is to invest primarily in investments restricted by Chapter 7 of the Code, such investments may not be in contravention of the relevant limitation prescribed by Chapter 7 of the Code. For the avoidance of doubt, the Target Fund may invest in scheme(s) authorised by the SFC under Chapter 8 of the Code (except for hedge funds under Chapter 8.7 of the Code), eligible scheme(s) (as determined by the SFC) of which the net derivative exposure (as defined in the Code) does not exceed 100% of its latest available net asset value, and exchange traded funds satisfying the requirements in paragraph (i) above in compliance with paragraph (j)(1) and (j)(2);

  (ii) where the underlying schemes are managed by the Target Fund Manager or by other companies within the same group that the Target Fund Manager belongs to, then paragraphs (a), (b), (d) and (e) above are also applicable to the investments of the underlying scheme;

  (iii) the objective of the underlying schemes may not be to invest primarily in other collective investment scheme(s);

  (iv) where an investment is made in any underlying scheme(s) managed by the Target Fund Manager or any of its connected persons, all initial charges and redemption charges on the underlying scheme (s) must be waived; and

  (v) the Target Fund Manager or any person acting on behalf of the Target Fund or the Target Fund Manager may not obtain a rebate on any fees or charges levied by an underlying scheme or the management company of a underlying scheme, or quantifiable monetary benefits in connection with investments in any underlying scheme;

(k) in the case of investments in shares in real estate companies and interests in REITs, the Target Fund shall comply with the requirements under paragraphs (a), (b), (d), (e) and (j)(1) above where applicable. Where investments are made in listed REITs, the requirements under paragraphs (a), (b) and (d) above apply and where investments are made in unlisted REITs, which are either companies or collective investment schemes, then the requirements under paragraphs (e) and (j)(1) above apply respectively;

(l) if the name of the Target Fund indicates a particular objective, investment strategy, geographic region or market, the Target Fund should, under normal market circumstances, invest at least 70% of its latest available net asset value in securities and other investments to reflect the particular objective, investment strategy or geographic region or market which the Target Fund represents; and

(m) notwithstanding paragraphs (a), (b), (d) and (e) above, where direct investment by the Target Fund in a market is not in the best interests of investors, the Target Fund may invest through a wholly-owned subsidiary company established solely for the purpose of making direct investments in such market. In this case:

  (1) the underlying investments of the subsidiary, together with the direct investments made by the Target Fund, must in aggregate comply with the requirements of Chapter 7 of the Code;

  (2) any increase in the overall fees and charges directly or indirectly borne by the unit holders or the Target Fund as a result must be clearly disclosed in the Target Fund Prospectus; and

  (3) the Target Fund must produce the reports required by Chapter 5.10(b) of the Code in a consolidated form to include the assets (including investment portfolio) and liabilities of the subsidiary company as part of those of the Target Fund.

In the Target Fund Prospectus, "entities within the same group" means entities which are included in the same group for the purposes of consolidated financial statements prepared in accordance with internationally recognised accounting standards.

The Target Fund shall not:

(a) invest in a security of any class in any company or body if any director or officer of the Target Fund Manager individually owns more than 0.5% of the total nominal amount of all the issued securities of that class or collectively the directors and officers of the Target Fund Manager own more than 5% of those securities;

(b) invest in any type of real estate (including buildings) or interests in real estate (including options or rights, but excluding shares in real estate companies and interests in REITs);

(c) make short sales if as a result the Target Fund would be required to deliver securities exceeding 10% of the latest available net asset value of the Target Fund (and for this purpose (i) securities sold short must be actively traded on a market where short selling is permitted; and (ii) short selling is carried out in accordance with all applicable laws and regulations);

(d) carry out any naked or uncovered short sale of securities;

(e) lend or make a loan out of the assets of the Target Fund, except to the extent that, in either case, the acquisition of bonds or the making of a deposit (within the applicable investment restrictions) might constitute a loan;

(f) subject to Chapter 7.3 of the Code, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person, save and except for reverse repurchase transactions in compliance with the Code;

(g) enter into any obligation in respect of the Target Fund or acquire any asset or engage in any transaction for the account of the Target Fund which involves the assumption of any liability which is unlimited. For the avoidance of doubt, the liability of investors must be limited to their investments in the Target Fund; or

(h) apply any part of the Target Fund in the acquisition of any investments which are for the time being nil paid or partly paid in respect of which a call is due to be made for any sum unpaid on such investments unless such call could be met in full out of cash or near cash forming part of the Target Fund whereby such amount of cash or near cash has not been segregated to cover a future or contingent commitment arising from transactions in FDIs for the purposes of Chapter 7.29 and 7.30 of the Code.

FEES AND CHARGES OF THE TARGET FUND

Preliminary charge	Up to 5% of the applicable subscription price of each unit of the Target Fund. ***Please note that preliminary charge is waived for any investments made by the Fund into the Target Fund.***
Redemption fee	Up to 5% of the applicable redemption price of each unit of the Target Fund. ***Please note that redemption fee is waived for any redemptions made by the Fund out of the Target Fund. However, the Target Fund Manager may re-introduce a redemption fee in respect of a class of units of the Target Fund at any time up to the permitted maximum of 5% with one month's prior written notice (or such shorter notice period as approved by the SFC) to the Fund.***
Management fee	Up to 2.00% per annum of the net asset value of the Target Fund. ***Please note that management fee will only be charged once at the Fund level. The management fee charged by the Target Fund will be paid out of the annual management fee charged by the Manager at the Fund level. There is no double charging of management fee.***

<table>
<tr>
<td>Trustee fee</td>
<td>
<table>
<tr><td>First USD150 million of the Target Fund’s net asset value</td><td>0.135%</td></tr>
<tr><td>Next USD650 million of the Target Fund’s net asset value</td><td>0.13%</td></tr>
<tr><td>In excess of USD800 million</td><td>0.125%</td></tr>
</table>
The aggregate trustee fee payable to the trustee of the Target Fund for any month shall be no less than USD4,500.
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</tr>
<tr>
<td>Performance fee</td>
<td>
15% of the appreciation in the net asset value per unit in the relevant class in the relevant performance period of the Target Fund, calculated annually on a high-on-high basis.

Under this section, please note the following definition:-
<table>
<tr><td>“Valuation Day”</td><td>Means a business day of the Target Fund where it is a day when banks in Hong Kong are open for general business except for: (i) a Saturday or Sunday; (ii) a day on which banks in Hong Kong are open for a shorter time as a result of a typhoon signal, a rainstorm warning or similar event, unless the Target Fund Manager, with the consent of the trustee of the Target Fund, determines otherwise.</td></tr>
<tr><td>“Performance Fee Valuation Day”</td><td>Means the last Valuation Day of each calendar year (prior to the deduction of any provision for any performance fee and any distribution declared or paid in respect of that performance period since the last performance fee is crystallised and paid).</td></tr>
<tr><td>“High Water Mark”</td><td>Means the higher of:
(a) the net asset value per unit of that class on the date of the initial issue of units; and
(b) the net asset value per unit of that class as at the Performance Fee Valuation Day of the preceding performance period in respect of which a performance fee was last paid to the Target Fund Manager for that class (after deduction of all fees including any performance fee and any distribution declared or paid in respect of that preceding performance period).</td></tr>
</table>
The Target Fund Manager is entitled to receive in respect of each class a performance fee.

Performance fee calculation
Performance fee is payable annually, calculated on a high-on-high basis (i.e. when the net asset value per unit as at the last Valuation Day of a performance period exceeds the High Water Mark (as defined above)) in accordance with the following formula:

(A-B) x C x D
</td>
</tr>
</table>

	Where: "A" is the net asset value per unit of a particular class of the Target Fund as at the Performance Fee Valuation Day "B" is the High Water Mark Where a performance fee is payable for a performance period, the net asset value per unit of a particular class of the Target Fund (after deduction of performance fee and any distribution declared or paid in respect of that preceding performance period) on the Performance Fee Valuation Day will be set as the High Water Mark for the next performance period. "(A-B)" means the outperformance of net asset value per unit of the Target Fund, i.e. the amount by which the increase in net asset value per unit of the Target Fund during the relevant performance period exceeds the High Water Mark. "C" is the rate of performance fee payable (i.e. 15%). "D" is the average number of units of the Target Fund in issue in the relevant performance period, calculated by adding the total number of units of the Target Fund in issue as at the valuation point on each Valuation Day of the relevant performance period divided by the total number of Valuation Days in such performance period. Each performance period corresponds to the financial year of the Target Fund. Any performance fee payable shall be paid as soon as practicable after the end of the relevant performance period. **Performance fee accrual** The performance fee shall be accrued on each Valuation Day throughout the relevant performance period. The accrual is made based on the net asset value per unit of the Target Fund on each Valuation Day. If it exceeds the High Water Mark, a performance fee accrual will be made. If not, no performance fee accrual will be made. On each Valuation Day, the accrual made on the previous Valuation Day will be reversed and a new performance fee accrual will be calculated and made in accordance with the above. If the net asset value per unit of the Target Fund on a Valuation Day is lower than or equal to the High Water Mark, all provision on previously accrued performance fee will be reversed and no performance fee will be accrued. For units of the Target Fund subscribing or redeeming during the relevant performance period, they will be based on the net asset value per unit of the Target Fund (after accrual of performance fee as calculated in accordance with the above) and there is no adjustment. Depending upon the performance of the Target Fund during the year, the price at which investors subscribe for or redeem units of the Target Fund at different times will be affected by performance of the Target Fund and this could have a positive or negative effect on the performance fee borne by them. There is no equalisation arrangement in respect of the calculation of the performance fees. That means, there is no adjustment of equalisation credit or equalisation losses on an individual investor basis based on the timing the relevant investor subscribes or redeems the relevant units of the Target Fund during the course of a performance period. The investor may be advantaged or disadvantaged as a result of this method of calculating the performance fee.

	A charge of performance fee may have been borne by an investor notwithstanding the investor concerned may have suffered a loss in investment in the units of the Target Fund. On the other hand, an investor may not be subject to any performance fee notwithstanding the investor concerned may have realised a gain in investment in the units of the Target Fund.

SUSPENSION OF THE DETERMINATION OF THE NET ASSET VALUE OF THE TARGET FUND

The Target Fund Manager may, in consultation with the trustee of the Target Fund, having regard to the best interests of the investors, declare a suspension of the determination of the net asset value of the Target Fund if:

(a) there is in existence any state of affairs prohibiting the normal disposal of the investments of the Target Fund; or

(b) (other than ordinary holiday or customary weekend closings) there is a closure of or the suspension or restriction of trading on any market to which a material part of the investments of the Target Fund is exposed; or

(c) there is a breakdown in any of the means normally employed in determining the net asset value of the Target Fund or the net asset value per unit of the relevant class of the Target Fund or when for any other reason the value of any securities or other property for the time being comprised in the Target Fund cannot, in the opinion of the Target Fund Manager, reasonably, promptly and fairly be ascertained; or

(d) for any other reason the prices of investments comprised in the Target Fund or which the Target Fund Manager shall have agreed to acquire for the account of the Target Fund cannot, in the opinion of the Target Fund Manager, be ascertained promptly and accurately; or

(e) circumstances exist as a result of which, in the opinion of the Target Fund Manager, it is not reasonably practicable to realise any securities held or contracted for the account of the Target Fund or it is not possible to do so without seriously prejudicing the interest of the investors; or

(f) the remittance or repatriation of funds which will or may be involved in the realisation of, or in the payment for, the securities of the Target Fund or the subscription or redemption of units of the Target Fund is delayed or cannot, in the opinion of the Target Fund Manager, be carried out promptly or at normal rates of exchange.

A suspension of the determination of the net asset value shall take effect immediately upon the declaration by the Target Fund Manager, following which there shall be no determination of the net asset value or net asset value per unit of the Target Fund or the issue price or the redemption price of the relevant class of the Target Fund until the suspension shall have terminated. No units of the Target Fund will be issued or redeemed during any period of suspension.

Whenever the Target Fund Manager declares such a suspension, it shall immediately after any such declaration notify the SFC of such suspension.

Notice of declaration of suspension shall be published immediately after any such declaration and at least once a month during the period of such suspension on the Target Fund Manager's website www.valuepartners-group.com.

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

ABOUT THE FEES AND CHARGES

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

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

The following are the charges that may be directly incurred by you.

SALES CHARGE

Up to 5.50% of the NAV per Unit of a Class.

Investor may negotiate for a lower Sales Charge at the Manager's discretion.

REPURCHASE CHARGE

Nil.

TRANSFER FEE

Nil.

SWITCHING FEE

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

The following are the fees and expenses that you may indirectly incur when you invest in the Fund

With the issuance of multiple Classes in this Fund, the indirect fees and/or charges for the Fund are apportioned based on the size of the Class relative to the whole Fund. This means that the multi-class ratio is calculated by taking the "*value of a Class before income and expenses*" for a particular day and dividing it with the "*value of the Fund before income and expenses*" for that same day. This apportionment is expressed as a ratio and calculated as a percentage.

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

ANNUAL MANAGEMENT FEE

The management fee is up to 1.65% per annum of the NAV of the Fund and is calculated using the Base Currency (before deducting the management fee and trustee fee). The management fee is accrued daily and payable monthly to the Manager.

Please note that the example below is for illustration only:

Assuming that the NAV of the Fund for the day is USD 300 million, the accrued management fee for that day would be:

$$\frac{\text{USD } 300{,}000{,}000 \times 1.65\%}{365 \text{ days}} = \text{USD}13{,}561.65 \text{ per day}$$

The management fee is only charged once at the Fund level. The management fee chargeable by the Target Fund will be paid out of the annual management fee charged by the Manager at the Fund level. There is no double charging of the management fee.

ANNUAL TRUSTEE FEE

The trustee fee is up to 0.04% per annum of the NAV of the Fund (excluding foreign custodian fees and charges) and is calculated using the Base Currency (before deducting the management fee and trustee fee). The trustee fee is accrued daily and payable monthly to the Trustee. In addition to the annual trustee fee, the Trustee may be reimbursed by the Fund for any expenses properly incurred by it in the performance of its duties and responsibilities.

Please note that the example below is for illustration only:

Assuming that the NAV of the Fund for the day is USD 300 million, the accrued trustee fee for that day would be:

$$\frac{\text{USD } 300{,}000{,}000 \times 0.04\%}{365 \text{ days}} = \text{USD } 328.77 \text{ per day}$$

ADMINISTRATIVE FEES

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

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

(b) (where the custodial function is delegated by the Trustee for the custody of foreign investments) charges or fees paid to foreign sub-custodians;

(c) Tax (including but not limited to goods and services tax) and other duties charged on the Fund by the government and/or other authorities;

(d) Costs, fee and expenses properly incurred by the auditor appointed for the Fund;

(e) Costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;

(f) Costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;

(g) Costs, fees and expenses incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent;

(h) Costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund or commenced by either of them for the benefit of the Fund or a Class (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund); and

(i) Other fees and expenses related to the Fund allowed under the Deed.

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

All expenses are apportioned to each Class based on the multi-class ratio.

MAXIMUM RATE OF FEES AND CHARGES ALLOWABLE BY THE DEED

We may impose higher fees and charges up to the following stated maximum rate, provided that we have taken the necessary procedures to increase the fees and charges.

	MYR Class	USD Class	AUD Class	SGD Class
Sales Charge	10.00% of the NAV per Unit of a Class			
Repurchase Charge	3.00% of the NAV per Unit of a Class			
Annual Management Fee	5.00% per annum of the NAV of the Fund			
Annual Trustee Fee	0.10% per annum of the NAV of the Fund (excluding foreign custodian fees and charges) and is calculated using the Base Currency.			

REBATES AND SOFT COMMISSIONS

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

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

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

DEALING INFORMATION

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

If you intend to invest in a Class other than MYR Class, you are required to have a foreign currency account with any Financial Institution as all transactions relating to the particular foreign currency will ONLY be made via telegraphic transfers.

WHO IS ELIGIBLE TO INVEST?

- You must be at least eighteen (18) years old and a Sophisticated Investor in order to invest in this Fund. Please refer to the "Glossary" chapter of this Information Memorandum for the definition of "Sophisticated Investors".
- Please note that if you are a US Person, you are not eligible to subscribe to the Units of the Fund. If we become aware that you are a US Person who holds Units of the Fund, we will issue a notice requiring you to:-
  - redeem your Units; or
  - transfer your Units to a non-US Person,

  within thirty (30) days from the date of the said notice.

HOW TO PURCHASE UNITS?

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

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

HOW TO MAKE PAYMENT FOR PURCHASE APPLICATION?

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

WHAT IS THE PROCESS OF THE PURCHASE APPLICATION?

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

HOW TO REPURCHASE UNITS?

➢ It is important to note that, you must meet the minimum holding of Units for a particular Class after a repurchase transaction.

  If you insist on making a repurchase request knowing that after the transaction, you will hold less than the minimum holding of Units for a particular Class, we may withdraw all your holding of Units for that particular Class and pay the proceeds to you.

  We may, with the consent of the Trustee, reserve the right to defer your repurchase request if such transaction would adversely affect the Fund or the interest of the Unit Holders.

  You may submit the repurchase request by completing a transaction form and returning it to us between 8.45 a.m. to 3.30 p.m. on a Business Day.

➢ Payment of the repurchase proceeds will be made via bank transfer where proceeds will be transferred to your bank account. Where Units are held jointly, payment will be made to the person whose name appears first in the register of Unit Holders.

➢ Bank charges or other bank fees, if any, will be borne by us.

WHAT IS THE PROCESS OF REPURCHASE APPLICATION?

➢ For a repurchase request received or deemed to have been received by us at or before 3.30 p.m. on a Business Day (or "T day"), Units will be repurchased based on the NAV per Unit of a Class for that Business Day. Any repurchase request received after 3.30 p.m. will be transacted on the next Business Day (or "T + 1 day").

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

WHAT IS THE REPURCHASE PROCEEDS PAYOUT PERIOD?

➢ You will be paid within ten (10) Business Days from the day the repurchase request is received by the Manager, provided that all documentations are completed and verifiable ("Payment Period"). Please note that such Payment Period may be extended in the event of a temporarily suspension of dealing in Units or the calculation of the net asset value of the Target Fund and/or its share class is deferred or the payment period of the Target Fund is extended.

WHAT IS THE PRICING OF UNITS?

➢ The Selling Price and the Repurchase Price are equivalent to the NAV per Unit of a Class. Any applicable Sales Charge and Repurchase Charge are payable separately from the Selling Price and Repurchase Price.

➢ Forward Pricing will be used to determine the Selling Price and the Repurchase Price of the respective Class, i.e. the NAV per Unit of each Class as at the next valuation point after we receive the purchase request or repurchase request.

WHERE TO PURCHASE AND REPURCHASE UNITS?

➢ Units can be purchased and repurchased at any of the location listed in the "Directory of Sales Offices" section in this Information Memorandum or with our authorised distributors.

➢ You may obtain a copy of this Information Memorandum, the product highlights sheet and application forms from the abovementioned location. Alternatively, you may also visit our website at www.aham.com.my.

WHAT IS COOLING-OFF RIGHT?

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

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

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

  (ii) If the market price is higher than the original price, you will be refunded based on the original price at the point of cooling-off.

- You will be refunded within ten (10) Business Days from our receipt of the cooling-off application.

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

WHAT IS THE PROCESS OF COOLING-OFF APPLICATION?

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

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

WHAT ARE THE SWITCHING OPTIONS?

Switching facility enables you to switch:

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

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

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

The process of the switching application is as below:

- **Switching between Classes of the Fund**

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

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

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

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

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

CAN I TRANSFER MY UNITS TO ANOTHER PERSON?

- You are allowed to transfer your Units, whether fully or partially, to another person by completing the transfer transaction form and returning it to us on a Business Day. The transfer must be made in terms of Units and not in terms of USD, MYR, AUD or SGD value. There is no minimum amount of Units required to effect a transfer except that the transferor and transferee must hold the minimum holding of Units to remain as a Unit Holder of a Class.
- It is important to note that we are at liberty to disregard or refuse to process the transfer application if the processing of such instruction will be in contravention of any law or regulatory requirements, whether or not having the force of law and/or would expose us to any liability.

  Please note that the person who is in receipt of the Units must be a Sophisticated Investor as well.

DISTRIBUTION POLICY

- Subject to the availability of income, the Fund endeavours to distribute income on a monthly basis.
- However, the amount of income available for distribution may fluctuate from month to month.
- Income distribution, if any, will be paid out in the currencies in which the Classes are denominated. You may elect the mode of distribution in cash payment or additional Units by way of reinvestment by ticking the appropriate column in the application form. You may also inform us, at any time before the income distribution date of your wish of receiving cash payment or additional Units via reinvestment. All distribution will be automatically reinvested into additional Units in the Fund if you do not elect the mode of distribution in the application form.

  Any distribution payable which is less than or equal to the amount of USD/MYR/SGD/AUD 300.00 would be automatically reinvested.

  Cash Payment Process

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

  Reinvestment Process

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

SUSPENSION OF DEALING IN UNITS

The Manager may, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the dealing in Units due to exceptional circumstances or such other circumstances as may be determined by the Manager, where there is good and sufficient reason to do so. The Manager will cease the suspension as soon as practicable after the exceptional circumstances have ceased, and in any event, within twenty-one (21) days from the commencement of suspension.

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

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

RELEVANT INFORMATION

SALIENT TERMS OF THE DEED

Rights and Liabilities of Unit Holders

Rights of Unit Holders

A Unit Holder has the right, among others, to the following:

(1) To receive the distribution of income, to participate in any increase in the value of the Units and to enjoy such other rights and privileges as are provided for in the Deed;

(2) To call for Unit Holders' meetings, and to vote for the removal of the Trustee or the Manager through a Special Resolution;

(3) To exercise the cooling-off right (if applicable);

(4) To receive annual and quarterly reports; and

(5) To receive monthly statement of accounts.

However, a Unit Holder would not have the right to require the transfer to the Unit Holder of any of the investments or assets of the Fund. Neither would a Unit Holder have the right 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 investments and assets.

Liabilities of Unit Holders

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

(2) Unit Holders shall not be under any obligation to indemnify the Manager and/or the Trustee in the event that the liabilities incurred by the Manager and/or the Trustee in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of the assets of the Fund, and any right of indemnity of the Manager and/or the Trustee shall be limited to recourse to the Fund.

Provisions regarding Unit Holders' Meetings

Quorum Required for Convening a Unit Holders' Meeting

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

(b) If the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty-five per centum (25%) of the Units in Circulation (irrespective of the Class) of the Fund or a particular Class, as the case may be, at the time of the meeting.

(c) If the Fund or a Class, as the case may be, has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders of the Fund or a Class, as the case may be.

Unit Holders' meeting convened by Unit Holders

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

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

(b) publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities.

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; or

(d) giving to the Trustee such directions as the meeting thinks proper;

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

Unit Holders' meeting convened by the Manager or Trustee

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

The Trustee shall summon a Unit Holder's meeting where:

(a) the Manager is in liquidation;

(b) in the opinion of the Trustee, the Manager has ceased to carry on business; or

(c) in the opinion of the Trustee, the Manager has, to the prejudice of Unit Holders of the Fund or of a particular Class, failed to comply with the Deed or contravened any of the provisions of the Act.

The Trustee may also summon a Unit Holders' meeting for any purpose including, without limitation, for the purpose of:

(a) requiring the retirement or removal of the Manager;

(b) giving instructions to the Trustee or the Manager if the Trustee considers that the investment management policies of the Manager are not in the interests of Unit Holders of the Fund or of a particular Class as the case may be;

(c) securing the agreement of the Unit Holders to release the Trustee from any liability;

(d) deciding on the next course of action after the Trustee has suspended the sale and repurchase of Units pursuant to Clause 6.10.3; and

(e) deciding on the reasonableness of the annual management fee charged to the Fund.

Unless otherwise required or allowed by the relevant laws, a meeting of the Unit Holders summoned by the Trustee pursuant to Clause 17.2.1 or Clause 17.2.2 of the Deed shall be summoned by:

(a) sending by post at least twenty-one (21) days before the date of the proposed meeting a notice of the proposed meeting to each of the Unit Holders at the Unit Holder's last known address or, in the case of jointholders, to the jointholder whose name stands first in the records of the Manager at the jointholder's last known address; and

(b) publishing at least twenty-one (21) days before the date of the proposed meeting an advertisement giving notice of the meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities.

Termination of the Fund

The Fund may be terminated or wound up subject to a Special Resolution being passed at a Unit Holders' meeting to terminate or wind up the Fund.

The Manager may determine the trust and wind up the Fund without having to obtain the prior approval of the Unit Holders upon the occurrence of any of the following events:-

(a) if any new law shall be passed which renders it illegal; or

(b) if in the reasonable opinion of the Manager it is impracticable or inadvisable to continue the Fund and the termination of the Fund is in the best interests of the Unit Holders.

Notwithstanding the aforesaid, if the Fund is left with no Unit Holder, the Manager shall also be entitled to terminate the Fund.

Termination of a Class

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

The Manager may terminate a particular Class without having to obtain the prior approval of the Unit Holders upon the occurrence of any of the following events:

(a) if any new law shall be passed which renders it illegal; or

(b) if in the reasonable opinion of the Manager it is impracticable or inadvisable to continue the Class and the termination of the Class is in the best interests of the Unit Holders.

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

Procedures to be taken to increase the Fees and Charges from the current amount stipulated in the Information Memorandum

The Manager may not charge a Sales Charge and/or Repurchase Charge (if any) at a rate higher than that disclosed in this Information Memorandum unless:-

(a) the Manager has notified the Trustee in writing of the higher charge and the effective date of the higher charge; and

(b) a supplemental/replacement information memorandum in respect of the Fund setting out the higher charge is lodged and issued.

The Manager or the Trustee may not charge an annual management fee and/or an annual trustee fee at a rate higher than that disclosed in this Information Memorandum unless:-

(a) the Manager has come to an agreement with the Trustee on the higher rate;

(b) the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective; and

(c) a supplemental/replacement information memorandum stating the higher rate is issued thereafter.

INCORRECT PRICING

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

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

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

FINANCING AND SECURITIES LENDING

The Fund is not permitted to borrow cash or other assets (including the borrowing of securities within the meaning of the SC's Securities Borrowing and Lending Guidelines [SBL Guidelines]) in connection with its activities.

Except for securities lending as provided under the SBL Guidelines, none of the cash or investments of the Fund may be lent. Further, the Fund may not assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.

UNCLAIMED MONIES

Any monies payable to you which remain unclaimed after twelve (12) months from the date of payment will be dealt as follows:-

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

(b) we will pay to the Registrar of Unclaimed Monies in accordance with the requirements of the Unclaimed Moneys Act 1965.

RELATED PARTIES TO THE FUND

ABOUT THE MANAGER - AHAM

AHAM was incorporated in Malaysia on 2 May 1997 and began its operations under the name Hwang–DBS Capital Berhad in 2001. AHAM has more than 20 years' experience in the fund management industry. In 2022, AHAM's ultimate major shareholder is CVC Capital Partners Asia Fund V, a private equity fund managed by CVC Capital Partners ("CVC"), which has approximately 68.35% controlling interest in AHAM. CVC is a global private equity and investment advisory firm with approximately USD125 billion of assets under its management. AHAM is also 20% owned by Nikko Asset Management Co. Ltd., a Tokyo-based asset management company, and 7% owned by Lembaga Tabung Angkatan Tentera.

Our Role as the Manager

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

Our Investment Team

The investment team comprises a group of portfolio managers who possess the necessary expertise and experience to undertake the fund management of our unit trust funds. The investment team will meet at least once a week or more should the need arise. The designated fund manager of the Fund is Mr. David Ng and you may obtain his profile from our website at www.aham.com.my.

ABOUT THE TRUSTEE – DEUTSCHE TRUSTEES MALAYSIA BERHAD

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

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

Experience in Trustee Business

DTMB is part of Deutsche Bank's securities services, which provides trust, custody and related services on a range of securities and financial structures. As at 31 August 2023, DTMB is the trustee for 232 collective investment schemes including unit trust funds, wholesale funds, exchange-traded funds and private retirement schemes.

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

Duties and Responsibilities of the Trustee

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

Trustee's Disclosure of Material Litigation

As at 31 August 2023, the Trustee is not (a) engaged in any material litigation and arbitration, including those pending or threatened, nor (b) aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee.

Trustee's Delegate

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

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

Disclosure on Related-Party Transactions/Conflict of Interests

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

(1) where the Fund invests in the products offered by Deutsche Bank AG and any of its group companies (e.g. money market placement, etc.);

(2) where the Fund has obtained financing from Deutsche Bank AG and any of its group companies, as permitted under the SC's guidelines and other applicable laws;

(3) Where the Manager appoints DTMB to perform its back office functions (e.g. fund accounting and valuation, where applicable); and

(4) where DTMB has delegated its custodian functions for the Fund to DBMB.

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

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

INVESTORS INFORMATION

How can I keep track of my investments?

You may obtain the daily Fund price from our website at www.aham.com.my. As the Fund has exposure to investments in foreign jurisdiction, the daily prices are based on information available two (2) Business Days prior to publication.

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

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

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

ANTI-MONEY LAUNDERING POLICIES AND PROCEDURES

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

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

DIRECTORY OF SALES OFFICES

AHAM ASSET MANAGEMENT BERHAD:

HEAD OFFICE
Ground Floor, Menara Boustead
69 Jalan Raja Chulan
50200 Kuala Lumpur
Tel : 03 – 2116 6000
Fax : 03 – 2116 6100
Toll Free No : 1-800-88-7080
Email: customercare@aham.com.my
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10450 Georgetown, Penang
Toll Free No : 1800-888-377

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Greentown Business Centre
30450 Ipoh, Perak
Tel: 05 - 241 0668
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JOHOR
Unit 22-05, Level 22
Menara Landmark
No. 12, Jalan Ngee Heng
80000 Johor Bahru, Johor
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MELAKA
Ground Floor
No. 584 Jalan Merdeka
Taman Melaka Raya
75000 Melaka
Tel: 06 -281 2890
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SABAH
Unit 1.09(a), Level 1, Plaza Shell
29, Jalan Tunku Abdul Rahman
88000 Kota Kinabalu, Sabah
Tel : 088 - 252 881
Fax : 088 - 288 803

SARAWAK
Ground Floor, No. 69
Block 10, Jalan Laksamana Cheng Ho
93200 Kuching, Sarawak
Tel : 082 – 233 320
Fax : 082 – 233 663

1st Floor, Lot 1291
Jalan Melayu, MCLD
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