

INFORMATION MEMORANDUM

THIS REPLACEMENT INFORMATION MEMORANDUM IS DATED 8 JUNE 2013

KENANGA PRINCIPAL PROTECTED INCOME FUND

(formerly known as ING PRINCIPAL PROTECTED INCOME)
This fund was constituted on 25 April 2008

This document is a replacement information memorandum in respect of the Kenanga Principal Protected Income Fund (formerly known as ING Principal Protected Income) dated 8 June 2013 which replaces and supersedes the information memorandum in respect of the ING Principal Protected Income dated 2 May 2012 and the first supplemental information memorandum dated 15 October 2012 and the second supplemental information memorandum dated 3 May 2013.

FUND MANAGEMENT COMPANY

Kenanga Investors Berhad (353563-P)
A Company incorporated in Malaysia, under the Companies Act 1965

TRUSTEE

CIMB Commerce Trustee Berhad (313031-A)

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INVESTORS ARE ADVISED TO READ THE REPLACEMENT INFORMATION MEMORANDUM AND OBTAIN PROFESSIONAL ADVICE BEFORE SUBSCRIBING TO THE WHOLESALE FUND.

FOR INFORMATION CONCERNING RISKS FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, PLEASE SEE "RISKS FACTOR" COMMENCING ON PAGE 13.

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Inside cover:

Responsibility Statement and Statement of Disclaimer

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

The Securities Commission Malaysia has authorized the wholesale fund, the subject of this Replacement Information Memorandum, and the authorization shall not be taken to indicate that the Securities Commission Malaysia recommends the investment.

The Securities Commission Malaysia will not be liable for any non-disclosure on the part of the Fund Management Company and takes no responsibility for the contents of the Replacement Information Memorandum, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon the whole or any part of the content of this Replacement Information Memorandum.

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1. GLOSSARY OF TERMS

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

<i>Authorised distributors</i>	Kenanga Investors Berhad's advisers, selected Institutional Unit Trust Advisers (IUTA), Corporate Unit Trust Advisers (CUTA) and direct sales team.
<i>Bursa Malaysia</i>	Bursa Malaysia Securities Berhad.
<i>Business day</i>	The day on which Bursa Malaysia Securities Berhad is open for trading.
<i>CMSA</i>	Means the Capital Markets and Services Act 2007, as amended or modified.
<i>Collection centre</i>	A centre for submission of transaction forms only. No investment consultation will be provided at these centres.
<i>Collective Investment Scheme</i>	Comprises unit trust funds, property trust funds, closed end funds, exchange traded funds, derivative funds, hedge funds and any other investment vehicles that utilize the pooling of funds concept.
<i>days</i>	References to 'days' in this Replacement Information Memorandum will be taken to mean calendar days unless otherwise stated.
<i>Deed</i>	• Deed dated 25 February 2008 • First Supplemental Deed dated 15 May 2013
<i>Direct sales</i>	Kenanga Investors Berhad's employees responsible for business development targeted at retail individual and corporate/institutional market segments.
<i>Entry fee</i>	The fee chargeable to acquire units in the Fund.
<i>Entry price</i>	The entry price for units should be the NAV per unit of the Fund as at the next valuation point after the request for units is received by the Fund Management Company. Entry price is commonly known as selling price.
<i>Forward pricing</i>	Means the NAV per unit of the Fund used for the purpose of calculating a price is the NAV per unit as at the next valuation point after an instruction or a request is received before 4.00pm on any Business day.
<i>Guidelines</i>	Refers to Guidelines on Wholesale Funds.
<i>Kenanga OneAnswer™</i>	Refers to Kenanga OneAnswer™ Investment Funds.
<i>Fund Management Company, KIB, or we</i>	Kenanga Investors Berhad.
<i>MARC</i>	Refers to Malaysian Rating Corporation Berhad.
<i>Net Asset Value of the Fund or NAV</i>	The Net Asset Value ("NAV") of the Fund is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at the valuation point. For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund should be inclusive of the management fee and trustee fee for the relevant day.
<i>performance benchmark</i>	The performance of Kenanga Principal Protected Income Fund is benchmarked against the overnight rate obtainable from www.maybank2u.com.my .
<i>Qualified investors</i>	refers to:- (a) an individual whose total net personal assets, or total net joint assets with his or her spouse, exceed RM3 million or its equivalent in foreign currencies, excluding the value of the individual's primary residence; (b) an individual who has a gross annual income exceeding RM300,000 or its equivalent in foreign currencies per annum in the preceding 12 months; (c) an individual who, jointly with his or her spouse, has a gross annual income exceeding RM400,000 or its equivalent in foreign currencies in the preceding 12 months;

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- (d) a corporation with total net assets exceeding RM10 million or its equivalent in foreign currencies based on the last audited accounts;
- (e) a partnership with total net assets exceeding RM10 million or its equivalent in foreign currencies;
- (f) a unit trust scheme or prescribed investment scheme;
- (g) a private retirement scheme;
- (h) a closed-end fund;
- (i) a company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding RM10 million or its equivalent in foreign currencies;
- (j) a corporation that is a public company under the Companies Act 1965 which is approved by the SC to be a trustee under the Act and has assets under management exceeding ten million ringgit or its equivalent in foreign currencies;
- (k) a statutory body established by an Act of Parliament or an enactment of any State;
- (l) a pension fund approved by the Director General of Inland Revenue under section 150 of the Income Tax Act 1967;
- (m) a holder of a capital markets services licence;
- (n) a licensed institution;
- (o) Islamic bank;
- (p) an insurance company licensed under the Insurance Act 1996;
- (q) a takaful operator registered under the Takaful Act 1984;
- (r) a bank licensee or insurance licensee as defined under the Labuan Financial Services and Securities Act 2010; and
- (s) an Islamic bank licensee or takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010.

<i>RAM</i>	Refers to the Rating Agency of Malaysia.
<i>Redemption fee</i>	The fee chargeable to redeem units from the Fund.
<i>Redemption price</i>	The redemption price for units should be the NAV per unit of the Fund as at the next valuation point after the request for redemption is received by the Fund Management Company. Redemption price is commonly known as repurchase price.
<i>Regional Branch Offices</i>	Kenanga Investors Berhad's sales and administration offices throughout the country to support all distribution channels' sales activities and where units can be purchased and redeemed.
<i>RM and sen</i>	Ringgit Malaysia and sen respectively.
<i>SC</i>	The Securities Commission Malaysia.
<i>Securities Laws</i>	The Securities Industry (Central Depositories) Act 1991, the Securities Commission Act 1993 and the Capital Market and Services Act 2007 and unless expressly stated otherwise, includes any regulations, rules, orders, notifications or other subsidiary legislation made under those laws.
<i>Switching of units</i>	Switching of units from one fund to another fund under the same Unitholder's account.
<i>Single pricing</i>	Means the pricing of all unit trust funds shall be based on a single price which is the NAV per unit of the fund.
<i>The Fund</i>	Kenanga Principal Protected Income Fund.
<i>Trustee</i>	CIMB Commerce Trustee Berhad (31301-A).
<i>unit</i>	The unit of the Fund and where applicable includes a fraction of a unit.
<i>Unitholder</i>	The person for the time being registered under the provision of the Deed as the holder of units of the Fund.
<i>Wholesale fund</i>	Means a unit trust fund, the units of which are issued, offered for subscription or purchase, or for which invitations to subscribe for or purchase the units have been made, exclusively to qualified investors.

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2. CORPORATE DIRECTORY

The Fund Management Company

Kenanga Investors Berhad (353563-P)

Registered Office:

8th Floor, Kenanga International,
Jalan Sultan Ismail,
50250 Kuala Lumpur, Malaysia
Tel: 03-2162 1490; Fax: 03-2161 4990

Business Office:

Suite 12.02, 12th Floor, Kenanga International
Jalan Sultan Ismail,
50250 Kuala Lumpur, Malaysia
Tel: 03-2057 3688 / 03-2713 3188
Fax: 03-2161 8807 / 03-2713 5868
Email: info.trust@kenanga.com.my
Website: www.KenangaInvestors.com.my

Regional Branch Offices:

Kuala Lumpur

Suite 12.02, 12th Floor, Kenanga International
Jalan Sultan Ismail,
50250 Kuala Lumpur, Malaysia
Tel: 03-2057 3688 / 03-2713 3188
Fax: 03-2161 8807 / 03-2713 5868

Johor Bahru

Lot 11.03, 11th Floor, Menara MSC Cyberport
5 Jalan Bukit Meldrum
80300 Johor Bahru, Johor
Tel: 07-223 7505/4798 Fax: 07-223 4802

Petaling Jaya

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Kota Damansara
47810 Petaling Jaya, Selangor
Tel: 03-6148 1871, 6150 3983 Fax: 03-6148 1872

Kuching

1st Floor, No 71, Lot 7
Lot 10900, Jalan Tun Jugah
93350 Kuching, Sarawak
Tel: 082-572 228 Fax: 082-572 229

Klang

No. 12 Jalan Batai Laut 3, Taman Intan
41300 Klang, Selangor Darul Ehsan
Tel: 03-3341 8818, 3348 7889 Fax: 03-3341 8816

Level 1, Wisma Mahmud,
Jalan Sungai Sarawak,
93100 Kuching, Sarawak, Malaysia
Tel: 082-343 022 / 082-343 032
Fax: 082-343 066 / 082-343 016

Penang

Blok A, Aras 3,
Wisma Perkeso
No. 269, Jalan Burma
10538 George Town, Penang
Tel: 04-226 4880 Fax: 04-226 5120

Kota Kinabalu

A-03-11, 3rd Floor
Block A Warisan Square
Jalan Tun Fuad Stephens
88000 Kota Kinabalu, Sabah
Tel: 088-447 089/448 106 Fax: 088-447 039

Ipoh

No. 5A, Persiaran Greentown 9
Greentown Business Centre
30450 Ipoh,
Perak Darul Ridzuan
Tel: 05-254 7573/7570 Fax: 05-254 7606

Lot 47, No. 20, 1st Floor, Damai Plaza
Phase 4, Block F, Lorong Pokok Kayu Manis II,
88300 Kota Kinabalu, Sabah, Malaysia
Tel: 088-269 678 / 088-254 678
Fax: 088-259 678

Melaka

No. 25-1 Jalan Kota Laksamana 2/17
Taman Kota Laksamana Seksyen 2
75200 Melaka
Tel: 06-281 8913, 282 0518 Fax: 06-281 4286

AGENCY OFFICE

Miri (Sarawak)

c/o Lot 1084, 2nd Floor,
Jalan Merpati
98000 Miri
Sarawak, Malaysia
Tel: 085-427 782

Seremban

Suite 08-3, Seremban City Centre
Jalan Pasar
70000 Seremban
Tel: 06-761 5678 Fax: 06-761 2243

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Board of Directors

- Datuk Syed Ahmad Alwee Alsree (Chairman)
- Syed Zafilen Syed Alwee (Independent Director)
- YM Raja Dato' Seri Abdul Aziz bin Raja Salim (Independent Director)
- Vivek Sharma (Independent Director)
- Bruce Kho Yaw Huat
- Abdul Razak bin Ahmad
- Peter John Rayner

Investment Committee

- Bruce Kho Yaw Huat (Chairman)
- Syed Zafilen Syed Alwee (Independent Member)
- Vivek Sharma (Independent Member)
- Abdul Razak bin Ahmad
- Peter John Rayner

Secretary

Norliza Abd Samad
(MAICSA 7011089)
9th Floor, Kenanga International,
Jalan Sultan Ismail, 50250 Kuala
Lumpur

Trustee:

CIMB Commerce Trustee Berhad (313031-A)

Registered Office:
5th Floor Bangunan CIMB
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur
Tel: 03-2084 8888
Fax: 03-2093 9688
Web: <http://cimb.com>

Business Office:
Level 7, Wisma Amanah Raya Berhad
Jalan Semantan, Damansara Heights
50490 Kuala Lumpur
Tel: 03-2084 8888
Fax: 03-2095 5473

Trustee's Delegate

CIMB Group Nominees (Tempatan) Sdn Bhd
(Co. No. 274740 T) (Custodian)

Registered Office:
5th Floor, Bangunan CIMB
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur
Tel : 03-2084 8888
Fax: 03-2093 9688
Web: <http://cimb.com>

Business Address:
Level 7, Wisma Amanah Raya Berhad
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur
Tel : 03-2084 8888
Fax: 03-2093 3720

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Auditor

Ernst & Young (AF:0039)
Business Address:
Level 23A, Menara Millennium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel: 03-7495 8000

Taxation Adviser

Ernst & Young Tax Consultants Sdn. Bhd. (179793-K)
Business Address:
Level 23A, Menara Millennium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel: 03-7495 8000

Independent Legal Adviser

Naqiz & Partners
No. 42A, Lorong Dungun
Damansara Heights
50200 Kuala Lumpur
Malaysia

Federation of Investment Managers Malaysia

19-07-3, 7th Floor, PNB Damansara
19 Lorong Dungun, Damansara Heights
50490 Kuala Lumpur
Tel: 03-2093 2600 Fax: 03-2093 2700

Principal Bankers

Standard Chartered Bank Malaysia Berhad (115793 P)
Registered Address:
Level 16, Menara Standard Chartered
30 Jalan Sultan Ismail
50250 Kuala Lumpur

Public Bank Berhad (6463-H)
Registered Address:
86 Jalan Raja Chulan
50200 Kuala Lumpur

RHB Bank Berhad
RHB Centre
Jalan Tun Razak
50350 Kuala Lumpur

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3. KEY DATA OF KENANGA PRINCIPAL PROTECTED INCOME FUND

3.1 GENERAL INFORMATION

Fund Management Company: Kenanga Investors Berhad (353563-P)

Trustee: CIMB Commerce Trustee Berhad (313031-A)

Key information of Kenanga Principal Protected Income Fund:

		More details on section(s)
Brief description	Kenanga Principal Protected Income Fund is an open ended short-term money market fund which will provide: 1) Steady stream of income i.e. monthly income distribution; 2) Capital preservation; 3) Enhanced returns and yields; and 4) Liquidity and convenience.	5
Fund Management Company	Kenanga Investors Berhad	8
Category/type	Wholesale money market/Income	5
Investment objective of the Fund	The Fund aims to provide investors a regular stream of income from the short-term money market returns which is competitive to that offered by fixed deposits, while preserving its capital by placing the funds primarily in short-term money market and deposit-based instruments issued by licensed financial institutions with a minimum of RAM A3 or MARC P2. The Fund also provides a high level of liquidity. Any material changes to the Fund's investment objective would require Unitholders' approval.	5.3.2
Investment strategy	The Fund seeks to achieve its objective by placing its funds primarily in a diversified portfolio of short-term money market and deposit-based instruments that are not subject to market valuation risks. In order to enhance the returns of the Fund, an active management process will be adopted, including active management of the maturities of the Fund's holdings, continuous monitoring of the prevailing interest rates environment and to actively seek out the best rates and instruments available for the Fund.	5.3.2
Asset allocation	Short-term money market instruments	Up to 100%
Performance benchmark	Overnight rate obtainable from www.maybank2u.com.my . The above benchmark has been changed from 1-month fixed deposit rate to overnight rate with effect from 2 May 2012 to better reflect the investment objective and the underlying investment strategies, and is therefore more suitable to measure performance against. The benchmark change will have no impact on the portfolio or how it is managed.	5.3.4
Risk profile of the Fund	Low	-
Investors' profile	This Fund is suitable for investors who: • Desire a steady stream of income i.e. monthly income distribution; • Have short to medium-term placement horizon; • Have low tolerance of market and credit risks; • Want a highly liquid fixed income portfolio; and • Want a low-risk fund as part of the asset allocation strategy.	-
Suggested minimum investment timeframe	6-24 months	-

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Principal risks of investing	Liquidity risk, interest rate risk, market risk, inflation risk and counterparty risk.	4.2
Income distribution	Income will be paid daily on a best effort basis, if any. Income paid (if any) will be reinvested into the Fund.	-
Approved fund size	1 billion units	-
Financial year-end	30 April	-

3.2 FEES AND CHARGES

The table below describes the fees and charges (if any) that you may incur directly when you purchase or redeem units in Kenanga Principal Protected Income Fund.

		More details on section(s)
Entry fee	Distribution channels	6.1, 6.2, 6.3.1
	Kenanga Investors Berhad's advisers	
	Institutional unit trust advisers (IUTAs)	
	Corporate unit trust advisers (CUTAs)	
	Direct sales team	
	Maximum entry fee	
	Nil	
	Nil	
	Nil	
	Nil	
Redemption fee	Distribution channels	6.3.2
	Kenanga Investors Berhad's advisers	
	Institutional unit trust advisers (IUTAs)	
	Corporate unit trust advisers (CUTAs)	
	Direct sales team	
	Redemption fee	
	Nil	
	Nil	
	Nil	
	Nil	
Switching fee	Nil	6.3.3
Transfer fee	Transfer facility is not available for Kenanga Principal Protected Income Fund.	-

The table below describes the fees and charges that you may incur indirectly when you invest in Kenanga Principal Protected Income Fund.

		More details on section(s)
Annual management fee	Up to 0.50% p.a. of NAV of the Fund.	6.4.1
	This fee is calculated and accrued daily and payable monthly to the Fund Management Company.	
Annual trustee fee	0.04% p.a. of the NAV of the Fund. This fee is calculated and accrued daily and paid monthly to the Trustee.	6.4.1
Expenses related to the Fund	• Tax adviser fees • Auditor's fees • Annual/quarterly reports • All fees authorized by the Deed	6.6
Other fees incurred indirectly	Nil	-

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3.3 TRANSACTIONS

		More details on section(s)
Minimum initial investment	RM100,000 or such amounts as we may from time to time decide.	-
Minimum additional investment	RM50,000 or such amounts as we may from time to time decide.	-
Minimum redemption	50,000 units or such amounts as we may from time to time decide.	-
Minimum switching	50,000 units or such amounts as we may from time to time decide.	-
Minimum holdings	50,000 units or such amounts as we may from time to time decide.	-
Frequency of redemption	No limit.	-
Period of payment of redemption proceeds	Same business day after the redemption is received by the Fund Management Company before 11:00 am on a Business Day. If the redemption is received after 11:00 am on a Business Day, the redemption proceed is paid the next Business Day.	-
Switching facility	Switching facility is available for Kenanga Principal Protected Income Fund. Switching from Shariah-based fund to a conventional fund is discouraged especially for Muslim Unitholders.	-
Transfer facility	Transfer facility is not available for Kenanga Principal Protected Income Fund.	-
Cooling-off period	Within 6 Business days from the date your application is received and accepted by the Fund Management Company. However terms and conditions applies.	7.4
Unclaimed income policy	Any monies payable to Unitholders which remain unclaimed after such period (currently being 1 year) will be sent to Registrar of Unclaimed Monies by the Fund Management Company in accordance with the requirements of the Unclaimed Monies Act 1965.	-

- Prospective Unitholders should read and understand the contents of this Replacement Information Memorandum and if necessary should consult their adviser(s).
- Past earnings or the Fund's distribution record is not a guarantee or reflection of the Fund's future earnings or future distribution.
- Unit prices and distribution payable, if any, may go down as well as up.

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4. RISK FACTORS

4.1 GENERAL RISKS OF INVESTING IN A WHOLESALE FUND

The following are some risks involved when you invest in wholesale funds:

Fund management company risk

Wholesale funds are managed by the Fund Management Company. The expertise, experience and investment process of the investment team would affect the performance of the fund. Poor management of a wholesale fund may jeopardise the investment of each investor.

Credit risk

A wholesale fund could lose money if the issuer or guarantor of a fixed income security, or the counterpart to a derivatives contract, redemption agreement or a loan of portfolio securities, is unable or unwilling to make timely principal and/or interest/profit payments, or to otherwise honour its obligations. Securities are subject to varying degrees of credit risk, which are often reflected in credit ratings.

Risk of non-compliance

The operations and administrations of the fund by the Fund Management Company or its delegates are governed by the Deed, all applicable laws and regulations or internal policies and procedures. Non-adherence may result in tarnished reputation, limited business opportunities and reduced expansion potential for the Fund Management Company. Unitholder investment goals may also be affected should the Fund Management Company not adhere to the investment mandate.

Loan financing risk

The inherent risk of investing with borrowed money, which includes the ability for you to service the loan repayments and the effect of increase in interest rates on the loan repayments and your ability to provide additional collateral should wholesale fund prices fall beyond a certain level.

4.2 SPECIFIC AND PECULIAR RISKS WHEN INVESTING IN KENANGA PRINCIPAL PROTECTED INCOME FUND

The following are specific risks involved when investing in Kenanga Principal Protected Income Fund and how the risks are managed.

Liquidity risk

Liquidity risk stems from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize loss. This may lead to a possibility that the Fund may not be able to unwind its positions which may result in the Fund not obtaining a fair price or true bid on the market. The lack of liquidity could also bring about instability in market prices, hence the net asset value of the Fund. This risk is managed by investing only in short-term money market and deposit-based instruments.

Interest rate risk

This risk refers to the effect of interest rate changes on the market value of a fixed income portfolio. In the event of rising interest rates, prices of fixed income securities such as debentures will decrease and vice versa. The risk is mitigated by investing only in short-term money market and deposit-based instruments that are not subject to valuation risk.

Market risk

Market risk refers to fluctuations in market values of investments that affect the entire market. Economic and political uncertainties represent some sources of market risks because they affect the entire market and cannot be avoided through diversification.

Inflation risk

Inflation reduces the purchasing power of money. Therefore, in a high inflationary environment, there is possibility that income from debt securities may not be able to keep up with inflation.

Counterparty risk

Counterparty risk occurs when a financial institution that has entered into a securities trade defaults on its obligations under the agreement. A fund may encounter unit price volatility due to this risk arising.

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5. DETAILS OF KENANGA PRINCIPAL PROTECTED INCOME FUND

5.1 WHAT IS KENANGA PRINCIPAL PROTECTED INCOME FUND?

Kenanga Principal Protected Income Fund is an open ended short-term money market fund which is designed to provide investors a regular stream of income from short-term money market returns which is competitive to that offered by fixed deposits. It is also designed to provide investors 100% capital preservation, where its funds are placed only in low-risk money market and deposit-based instruments issued by licensed financial institutions with a minimum of RAM A3 or MARC P2 ratings that are not subject to market valuation risks.

5.2 WHY INVEST IN KENANGA PRINCIPAL PROTECTED INCOME FUND?

Kenanga Principal Protected Income Fund offers investors the safety of capital as the funds are only placed in instruments that are stable and safe such as short-term money market and deposit-based instruments issued by licensed financial institutions with a minimum of RAM A3 or MARC P2 ratings i.e., fixed deposit and money market or repo placements which are not subject to any market valuation risks, to preserve the capital of the Fund.

As the funds are placed primarily in short-term money market and deposit-based instruments, it provides high level of liquidity and ensures the capital is preserved. Investors will be able to meet cash flow commitments through the high liquidity level.

In short, Kenanga Principal Protected Income Fund provides both income and capital preservation and is deemed to be among the safest short-term money market instruments for investors and yet provides investors with enhanced returns and yields, compared to ordinary savings account or fixed deposits. This Fund is targeted at institutions, corporation, and high net worth clients who seek higher yields from conventional bank fixed deposits, with the added benefit of the liquidity that the Fund may provide without compromising or forfeiting on their yields as in the case of the fixed deposits.

5.3 FUND INFORMATION

5.3.1 Category/type

Kenanga Principal Protected Income Fund is an open ended wholesale money market income fund.

5.3.2 Investment objective

The Fund aims to provide investors a regular stream of income from the short-term money market returns which is competitive to that offered by fixed deposits, while preserving its capital by placing the funds primarily in short-term money market and deposit-based instruments issued by licensed financial institutions with a minimum of RAM A3 or MARC P2. The Fund also provides a high level of liquidity.

Any material changes to the Fund's investment objective would require Unitholders' approval.

5.3.3 Investment strategy

The Fund seeks to achieve its objective by placing its funds primarily in a diversified portfolio of short-term money market and deposit-based instruments that are not subject to market valuation risks. In order to enhance the returns of the Fund, an active management process will be adopted, including active management of the maturities of the Fund's holdings, continuous monitoring of the prevailing interest rates environment and to actively seek out the best rates and instruments available for the Fund.

An extremely defensive unitized portfolio is proposed with:

1. Placement in only selected instruments which have no capital or revaluation risk;
2. Staggered maturities to take advantage of higher yield for longer tenured placements;
3. Diversification of placements to further reduce risk of single bank issuer; and
4. Dynamic rebalancing and mix of fixed deposits and repo placements to ensure best returns for investors.

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5.3.4 Performance benchmark

The Fund is benchmarked against the overnight rate obtainable from www.maybank2u.com.my.

The above benchmark has been changed from 1-month fixed deposit rate to overnight rate with effect from 2 May 2012 to better reflect the investment objective and the underlying investment strategies, and is therefore more suitable to measure performance against. The benchmark change will have no impact on the portfolio or how it is managed.

Note: The Fund Management Company may from time to time decide to review the above benchmark to reflect any material changes to the Fund's asset allocation range as permitted by the prevailing regulations.

5.3.5 Income distribution (if any)

It is the discretion of the Fund Management Company to pay out income received by the Fund to its investors.

The source of income is derived from the stream of income generated from short-term money market returns after deducting the Fund's permitted expenses.

For Kenanga Principal Protected Income Fund, distribution of income (if any) will be declared daily and will be reinvested into the Fund at NAV.

5.3.6 Authorised investments of Kenanga Principal Protected Income Fund

The Fund may invest in the following investments subject to the SC Guidelines and the Fund's objective:

- Cash;
- Debentures, money market instruments and placements of deposits with financial institutions;
- Repurchase agreements;
- Collective investment schemes;
- Treasury products;
- Interest rate and fixed income related derivatives;
- Listed or unlisted foreign money market or treasury instruments; and
- Any other kind of investment or investments as permitted by the SC or any other relevant authorities from time to time.

5.3.7 Investment restrictions and limits of Kenanga Principal Protected Income Fund

The Fund only places its investments into instruments that are stable and safe such as short-term money market and deposit-based instruments issued by licensed financial institutions with a minimum credit rating of A3 by RAM or P2 by MARC.

5.3.8 Valuation of assets

The NAV of the Fund is based on its value of investments at any one time which includes liquid assets, such as money market instruments and deposits with licensed financial institutions and collective investment schemes value at last available published price immediately preceding the valuation point.

- Investments in collective investment schemes which are quoted on an approved exchange shall be valued based on the same manner as listed securities as described above. Investments in unlisted open-ended unit trust funds shall be based on the last exit price published by the trust manager. However, if the aforementioned valuation methods results in values which the Fund Management Company or fund management delegate considers not to be representative of a fair value of the investments, the Fund Management Company or fund management delegate may determine the fair value in good faith based on the methods approved by the Trustee.
- Investments such as bank bills and deposits placed with banks or other financial institutions shall be valued by reference to the value of such investments and the shared profit/interest accrued thereon for the relevant period.

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5.3.9 Borrowing policy and liquid assets

The Fund is permitted to borrow cash to meet redemption requests. The period of borrowing must not exceed 1 month. At the time borrowings incurred, the aggregate borrowing amount must be less than 10% of the Fund's NAV. Borrowing can only be made from licensed financial institutions.

The Fund is not permitted to borrow cash or to employ any other form of lending with the intention of enhancing its returns.

There will be no minimum limit for liquid assets as this is a money market fund which is highly liquid.

5.3.10 Policy on stockbroking rebates and soft commissions

The Fund Management Company will direct any stock broking rebates to the account of the Fund. The Fund Management Company may receive goods or services by way of soft commissions provided always that the goods or services are of demonstrable benefit to the Fund and Unitholders. Examples of soft commission include but not limited to research materials, data services and investment related publications.

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6. FEES, CHARGES AND EXPENSES

6.1 SINGLE PRICING POLICY

We adopt single pricing with no entry fee or redemption fee for investments into the Fund. When you invest into or redeem from the Fund, the selling or buying of units by us is carried out at NAV per unit. The entry or redemption fee (if any) would be calculated separately based on your net investment or redemption amount.

In the case of Kenanga Principal Protected Income Fund, there is no entry fee or redemption fee involved and the NAV per unit is RM1.0000.

If you intend to invest into the Fund by issuing a cheque of RM100,000.00 to Kenanga Investors Berhad, the breakdown between the investment amount into the Kenanga Principal Protected Income Fund account and the entry fee is as follows:

	RM
Investment into your Kenanga Principal Protected Income Fund account	100,000.00
Entry fee payable (Nil)	0.00
Amount payable to Kenanga Investors Berhad	<u>100,000.00</u>

Your account will be allotted the following units:
 = RM100,000.00 / RM1.0000 = 100,000.00 units

6.2 HOW NET ASSET VALUE IS CALCULATED

The NAV of the Fund is determined at the end of each Business day and is the total value of all investments and cash held by the Fund including income derived by the Fund which has not been distributed to you, less any amount owing or payable in respect of the Fund including any provision that the Trustee or the Fund Management Company considers necessary to be made.

Please note that the example below is for illustration only:

Assuming that the calculation below is for the Fund:

	RM
Current investment portfolio	50,000,000.00
Add: Cash (uninvested)	10,000.00
Income Derived	2,739.73
(Less): Liabilities	(5,000.00)
NAV before deducting management fee and trustee fee	<u>50,007,739.73</u>
(Less) Management fee for the day (at 0.50% per annum)	(685.04)
(Less) Trustee fee for the day (at 0.04% per annum)	<u>(54.80)</u>
NAV	<u>50,006,999.89</u>

If the units in circulation for the Fund at the end of the Business day was 50,000,000.00, the NAV per unit for the Fund would be RM 50,006,999.89 divided by 50,000,000 units to result in RM1.0001399978 per unit.

6.3 FEES AND CHARGES DIRECTLY INCURRED

6.3.1 Entry Fee

There is no entry fee when you invest in Kenanga Principal Protected Income Fund.

6.3.2 Redemption Fee

There is no redemption fee for redeeming units from Kenanga Principal Protected Income Fund.

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6.3.3 Switching Charge

There are no switching fees for switching units from Kenanga Principal Protected Income Fund. Switching into Kenanga Principal Protected Income Fund is only allowed for Qualified investors as defined in the Glossary of Terms.

Switching from Shariah-based fund is discouraged especially for Muslim Unitholders

6.4 FEES AND CHARGES INDIRECTLY INCURRED

6.4.1 Annual management fee

The annual management fee for Kenanga Principal Protected Income Fund is 0.50% per annum of the NAV of the Fund. The annual management fee is calculated and accrued daily but payable at the end of each month to the Fund Management Company.

Please note that the example below is for illustration only:

Assuming that the total gross NAV in the Fund is RM100 million (before deducting the management and trustee fee). The calculation of annual management fee based on total gross NAV in Kenanga Principal Protected Income Fund is:

$$\frac{\text{RM100 million} \times 0.50\%}{365 \text{ days}} = \text{RM1,369.86 per day}$$

6.4.2 Annual trustee fee

The annual trustee fee for the Fund is 0.04% per annum on the NAV of the Fund. This fee is calculated and accrued daily and paid monthly to the Trustee.

Please note that the example below is for illustration only:

Assuming that the total gross NAV in Kenanga Principal Protected Income Fund (before deducting the management fee and trustee fee)	= RM100,000,000.00
Rate	= 0.04% p.a. of gross NAV
Accrued trustee fee (on daily basis)	= $\frac{\text{RM100,000,000.00} \times 0.04\%}{365 \text{ days}}$
	= RM109.59 per day

6.5 OTHER FEES AND CHARGES

Certain charges may be incurred when we execute a transaction for you. These may include bank charges such as commission for outstation cheques, telegraphic charges and courier charges. For investment payment through auto debit, you will be charged RM5 if there is insufficient funds in your bank account. These charges are borne by you and will be deducted from your next auto debit deduction. The balance will then be invested into your relevant account.

6.6 THE EXPENSES OF KENANGA PRINCIPAL PROTECTED INCOME FUND

The fees and expenses to be paid out of the Fund include:

- Annual management fee;
- Annual trustee fee;
- Such expenses of the Trustee as permitted under the Deed and Guidelines;
- Commissions/fees paid to brokers and all banks fees in effecting dealings in the investments of the Fund;
- Tax and other duties charged on the Fund by the government or other authorities;
- Tax agent fee;
- Fees and other expenses properly incurred by the auditor & reporting accountant appointed for the Fund;

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- Fees for valuation of any investment of the Fund by independent valuers for the benefit of the Fund;
- Costs incurred for the modification of the Deed other than those for the benefit of the Fund Management Company;
- Costs incurred in printing and dispatching to Unitholders the reports, accounts of the Fund, tax vouchers and distribution statements;
- Costs incurred for any meetings of the Unitholders other than those convened by, or for the benefit of the Fund Management Company or Trustee;
- Where the Fund Management Company and the Trustee deem fit, fees and other expenses incurred by the investment committee appointed for the Fund.

Expenses associated with the management and administration of the Fund, such as general overheads and costs for services expected to be provided by the Fund Management Company, will not be charged to the Fund.

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

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7. TRANSACTION INFORMATION

7.1. FORWARD PRICING FOR BOTH ENTRY AND REDEMPTION PRICES

Investments or redemptions are transacted based on forward pricing. This is done after we have received and accepted your application for units. The valuation and pricing of units normally take place at the end of each Business day at the close of Bursa Malaysia.

Investment requests submitted at our Regional Branch Offices before 11.00am on any Business day will be based on NAV determined at the end of the same Business day. Investment requests submitted after 4.00pm will be based on the NAV determined at the end of the next Business day.

Likewise, redemption requests submitted at our Regional Branch Offices before 11.00am on any Business day will be based on NAV determined at the end of the same Business day. Redemption requests submitted after 4.00pm will be based on NAV determined at the end of the next Business day.

7.2 INVESTING INTO KENANGA PRINCIPAL PROTECTED INCOME FUND

For opening of the Kenanga Principal Protected Income Fund account, the Qualified investors must submit all relevant documents as required by us. We reserve the right to terminate the relationship if any documents requested pursuant to this opening of account are not received within 14 Business days. In the event of termination, units will be redeemed at the closing NAV price as at the 15th Business day.

In the event of redemption or switching transactions, we reserve the right to not effect the transactions if the requested documents are still outstanding.

When investing in the Fund, the entry price for units will be the NAV per unit of the Fund as at the next valuation point after the request for units is received by us. The entry fee (if any) is charged separately.

There is no entry fee when you invest into the Fund.

Please note that the example below is for illustration only:

If you intend to invest RM100,000.00 in the Fund and assuming the NAV per unit of the Fund is RM1.0000, below is the amount incurred for your investment:

	RM
Investment into your Kenanga Principal Protected Income Fund account	100,000.00
Entry fee payable (Nil)	0.00
Amount payable to Kenanga Investors Berhad	<u>100,000.00</u>

Your account will be allotted the following units:
 $\text{RM100,000.00} / \text{RM1.0000} = 100,000.00 \text{ units}$

7.3 REDEEMING FROM KENANGA PRINCIPAL PROTECTED INCOME FUND

The redemption price for units will be the NAV per unit of the Fund as at the next valuation point after the request for redemption is received by us. The payment of the redemption shall be effected on the same Business day if redemption request is received before 11:00 am on the Business Day. If the redemption is received after 11:00 am on a Business Day, the redemption proceed is paid the next Business Day.

You may redeem from Kenanga Principal Protected Income Fund at NAV per unit. There is no charge for redeeming units from Kenanga Principal Protected Income Fund.

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Please note that the example below is for illustration only:

If you redeem 50,000.00 units from your Kenanga Principal Protected Income Fund account and assuming the NAV price per unit of the Fund is RM1.0000, you will receive redemption proceed totaling:

	RM
50,000.00 units x RM1.0000 per unit	50,000.00
Redemption fee (Nil)	0.00
Net redemption proceed	<u>50,000.00</u>

The number of units credited to an investor's account will be determined based on the amount invested divided by the NAV per unit computed at the end of the Business day.

7.4 COOLING-OFF

As an investor, you may withdraw your initial investment application with us. You can request for a refund within the cooling-off period, which is 6 Business days from the date of your first application. You will be refunded your total initial investment amount (please refer to following example). A cooling-off right should be given to an investor who is investing in any wholesale fund managed by a particular fund management company for the first time. However, this cooling-off period is not applicable to subsequent investments or to the following type of investors:

- A corporation or institution;
- Staff of KIB;
- Persons registered to deal in unit trust of KIB.

We will refund your money within 10 calendar days upon receiving your notice to exercise your cooling-off right, subject to your initial funds clearance.

Please note that the example below is for illustration only:

	RM
Total initial investment amount into the Fund	100,000.00
Add entry fee (Nil)	0.00
Total refund as per your cooling-off right	<u>100,000.00</u>

Therefore, if you decide to exercise the cooling-off right, we will refund your total initial payment amount of RM100,000.00.

7.5 SWITCHING FACILITY

Switching is a facility that we offer to our Unitholders. This facility is a convenient way of converting units of one fund to another fund that we manage in response to changing market conditions or changes in your investment goals.

Switching into this Fund is only allowed for Qualified investors as defined in the Glossary of Terms in this Replacement Information Memorandum.

Conditions for switching are set out below.

Switching from	Recipient funds = Equity or Balanced	Recipient funds = Bond or Money Market
Equity, Balanced	At NAV per unit	At NAV per unit
Fixed Income/Bond/Money Market	Exit from Fixed Income/Bond/Money Market at NAV. Pay the differential entry fee amount to enter into any equity or balanced funds. Subsequent switching fee shall depend on the specific fund terms.	Exit from Bond/Money Market at NAV. Pay the differential entry fee amount to enter into any bond funds. Subsequent switching fee shall depend on the specific fund terms.

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Note:

Types of fund	Global funds	Local funds
Real Estate	Kenanga Global Real Estate Fund (formerly known as ING Global Real Estate)	
Equity	- Kenanga Global Dividend Fund (formerly known as ING Global Dividend) - Kenanga China Access Fund (formerly known as ING China Access) - Kenanga Global Opportunities Fund (formerly known as ING Global Opportunities)	<i>Kenanga OneAnswer™</i> - Kenanga Blue Chip Fund (formerly known as ING Blue Chip) - Kenanga Shariah Growth Opportunities Fund (formerly known as ING Shariah Growth Opportunities) - Kenanga Growth Opportunities Fund (formerly known as ING Growth Opportunities) - Kenanga Ekuiti Islam Fund (formerly known as ING Ekuiti Islam)
Balanced		<i>Kenanga OneAnswer™</i> - Kenanga Managed Growth Fund (formerly known as ING Managed Growth) - Kenanga Shariah Balanced Fund (formerly known as ING Shariah Balanced) - Kenanga Diversified Fund (formerly known as ING Diversified)
Bond	Kenanga Emerging Markets Debt Fund (formerly known as ING Emerging Markets Debt)	<i>Kenanga OneAnswer™</i> - Kenanga Income Plus Fund (formerly known as ING Income Plus) - Kenanga Bon Islam Fund (formerly known as ING Bon Islam)
Fixed Income		- Kenanga Cash Plus Fund (formerly known as ING Cash Plus) - Kenanga <i>i</i>-Enhanced Cash Fund (formerly known as ING <i>i</i>-Enhanced Cash)
Money Market		Kenanga Principle Protected Income Fund (formerly known as ING Principal Protected Income)

Please note that the examples below are for illustration only.

- a Switching from Kenanga Principal Protected Income Fund to an equity or balanced fund under Kenanga OneAnswer™.

The assumptions for this example are as follows:

- You want to switch 50,000 units of Kenanga Principal Protected Income Fund into Kenanga Managed Growth Fund (formerly known as ING Managed Growth).
- The NAV per unit of Kenanga Principal Protected Income Fund is RM1.0000 and the entry fee is 0%.
- The NAV per unit of Kenanga Managed Growth Fund (formerly known as ING Managed Growth) is RM0.5185 and the entry fee for Kenanga Managed Growth Fund (formerly known as ING Managed Growth) is 6.5%.

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Switching value (50,000 units of Kenanga Principal Protected Income Fund x RM1.0000) =	RM 50,000.00
(Less) Differential entry fee of 6.5% (6.5% - 0%)	(3,051.64)
Amount switched into Kenanga Managed Growth Fund (formerly known as ING Managed Growth)	<u>46,948.36</u>
Number of units in your Kenanga Managed Growth Fund (formerly known as ING Managed Growth) account = RM46,948.36 / RM0.5185 per unit =	<u>90,546.49 units</u>

b. Switching from Kenanga Principal Protected Income Fund to a bond fund under Kenanga OneAnswer™.

The assumptions for this example are as follow:

- You want to switch 50,000 units of Kenanga Principal Protected Income Fund into Kenanga Income Plus Fund (formerly known as ING Income Plus).
- The NAV per unit of Kenanga Principal Protected Income Fund is RM1.0000 and the entry fee is 0%.
- The NAV of Kenanga Income Plus Fund (formerly known as ING Income Plus) is RM0.5150 per unit and the entry fee is 1.5%.

Switching value (50,000 units of Kenanga Principal Protected Income Fund x RM1.0000)	RM 50,000.00
(Less) Differential entry fee of 1.5% (1.5% - 0%)	(738.92)
Amount invested in your Kenanga Cash Plus Fund (formerly known as ING Cash Plus) account	<u>49,261.08</u>
Number of units in your Kenanga Income Plus Fund (formerly known as ING Income Plus) account = RM49,261.08 / RM0.5150 per unit =	<u>95,652.58 units</u>

c. Switching from equity or balanced funds into an existing Kenanga Principal Protected Income Fund account.

The assumptions for this example are as follow:

- You want to switch 100,000 units of Kenanga Blue Chip Fund (formerly known as ING Blue Chip) into Kenanga Principal Protected Income Fund.
- The NAV per unit of Kenanga Principal Protected Income Fund is RM1.0000 and the entry fee is 0%.
- The NAV of Kenanga Blue Chip Fund (formerly known as ING Blue Chip) is RM0.5000 per unit and the entry fee is 6.5%.

Switching value (100,000 units of Kenanga Blue Chip Fund (formerly known as ING Blue Chip) x RM0.5000)	RM 50,000.00
Amount switched into your Kenanga Principal Protected Income Fund account	<u>50,000.00</u>
Number of units in your Kenanga Cash Plus Fund (formerly known as ING Cash Plus) account = RM50,000 / RM1.000 per unit =	<u>50,000.00 units</u>

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d. Switching from a bond fund into an account without Kenanga Principal Protected Income Fund account.

The assumptions for this example are as follow:

- You are a Qualified investor as defined in the Glossary of Terms in this Replacement Information Memorandum,
- You want to switch 200,000 units of Kenanga Income Plus Fund (formerly known as ING Income Plus) into Kenanga Principal Protected Income Fund.
- The NAV per unit of Kenanga Principal Protected Income Fund is RM1.0000 and the entry fee is 0%.
- The NAV of Kenanga Income Plus Fund (formerly known as ING Income Plus) is RM0.5000 per unit and the entry fee is 1.5%.

Switching value (200,000 units of Kenanga Income Plus Fund (formerly known as ING Income Plus) x RM0.5000)	RM 100,000.00
Amount invested in your Kenanga Principal Protected Income Fund account	100,000.00
Number of units in your Kenanga Cash Plus Fund (formerly known as ING Cash Plus) account = RM100,000.00 / RM1.0000 per unit =	<u>100,000.00 units</u>

A minimum of 50,000 units is imposed for switching from and into Kenanga Principal Protected Income Fund.

7.6 FACSIMILE INSTRUCTION FACILITY

For Kenanga Principal Protected Income Fund, you can give us a facsimile instruction to make withdrawals. The fax number for this facility is **03-2161 8807**. Before using this facility, you will first need to read and understand the facsimile instruction facility conditions mentioned below. By ticking "Yes" for the facsimile instruction facility on the application form you are deemed to have accepted the facsimile instruction facility conditions.

Facsimile instruction facility conditions:

1. Whilst we exercise every care in ensuring the legitimacy of a facsimile instruction, there is still a risk that fraudulent facsimile redemption requests in respect of your account can be made by someone who has access to your fund account number and copy of your signature;
2. You accept full responsibility for any loss arising as a result of us acting upon instructions given in a facsimile which bears your fund account number and a signature which is or appears to be your signature or a signature of an authorized signatory of the account;
3. You release and indemnify us and the Trustee against all claims and demands in respect of any liabilities arising as a result of us acting upon instructions given in a facsimile even if those claims/ demands are not genuine;
4. You agree that neither you nor any person claiming through you has any claims against us or the Trust or the Trustee in relation to a payment made or action taken by us under the facsimile instruction facility if the payment is made in accordance with these conditions;
5. These terms and conditions are in addition to any requirements for giving instructions to us.
6. We may cancel this facility in the following instances:
 - a. immediately, if you do not comply with any of these conditions mentioned in this Replacement Information Memorandum; or
 - b. at any time, after giving you reasonable notice.
7. We may change the conditions but only after notifying you in writing;
8. By signing on the application form and requesting for the facsimile instruction facility, you are deemed to have read and understood the terms and conditions governing the operations of the facsimile instruction facility and agree to abide by them.

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8. THE FUND MANAGEMENT COMPANY

8.1 BOARD OF DIRECTORS

The Board of Directors takes an active part in the affairs of the Fund Management Company and the wholesale fund under its management. The Board of Directors meets at least once every quarter to receive recommendations and reports on investment activities from the investment committee and the senior management team of KIB.

The qualifications and experiences of the members of the Board of Directors are as follows:

Datuk Syed Ahmad Alwee Alsree (Chairman)

Date of Appointment: 11 October 2006

Datuk Syed Ahmad Alwee Alsree was appointed Chairman of KIB on 1 January 2008 after having been appointed to the Board in October 2006. He was appointed as a Non-Executive Director of K&N Kenanga Holdings Berhad on 28 August 2009 and had, on 26 July 2011, re-designated as Deputy Chairman. Datuk Syed Ahmad Alwee Alsree is also the Group Executive Director of Cahya Mata Sarawak Berhad (CMSB). He had earlier joined CMS in February 2004 as Group General Manager – Human Resources where he was responsible for the smooth operations and integration of the various human resource departments within CMS Group. He was appointed as Deputy Group Managing Director of CMSB in September 2006 and subsequently re-designated as Group Executive Director in August 2008. Datuk Syed Ahmad graduated with a Bachelor of Law (LL.B.) from the National University of Singapore, and practiced law in Singapore for over ten (10) years prior to joining CMS Group.

Apart from K&N Kenanga Holdings Berhad and CMSB, Datuk Syed Ahmad is a director of KKB Engineering Berhad, Kenanga Investment Bank Berhad and SIG Gases Berhad. He is the Chairman of Samalaju Aluminium Industries Sdn Bhd (formerly known as Similajau Aluminium Industries Sdn Bhd) and a director of several CMS subsidiaries in financial services, property development and education.

Syed Zafilen Syed Alwee (Independent Director)

Date of Appointment: 12 May 2008

Syed Zafilen Syed Alwee was appointed as the Director of KIB on 12 May 2008. He has spent his career in managing various sectors of operations of companies such as sales, marketing, technical, management, finance in local listed companies as well as multinational including Patimas, Lityan, Cahya Mata Sarawak, Lucent Technologies, Motorola, Mobil and others as well as being ownership of two other companies. He is currently undergoing an MBA programme in Finance at the University of Manchester.

YM Raja Dato' Seri Abdul Aziz bin Raja Salim (Independent Director)

Date of Appointment: 24 February 2012

YM Raja Dato' Seri Abdul Aziz bin Raja Salim was appointed as the Director of KIB on 24 February 2012. He is an Honorary Fellow of the Malaysian Institute of Taxation, Fellow of the Chartered Association of Certified Accountants, United Kingdom, Fellow of the Chartered Institute of Management Accountants ("CIMA"), United Kingdom and a Chartered Accountant (Malaysia).

He served as Director General of Inland Revenue Malaysia from 1980 to 1990 and Accountant General Malaysia from 1990 to 1994. After his retirement from the Government service, he was appointed as Chairman of BSN Commercial Bank (M) Berhad from 1995 to 1999. He was a Board Member of several Government agencies and organisations as well as Deputy Chairman of the Employees Provident Fund and Deputy Chairman of the Universiti Pertanian Malaysia Council. YM Raja Dato' Seri Abdul Aziz was the President of CIMA, Malaysia from 1976 to 1993 and a council member of CIMA, United Kingdom from 1990 to 1996. He was awarded the CIMA Gold Medal in recognition of his outstanding service to the Accounting Profession. He was a council member of the Malaysian Institute of Accountants ("MIA") until September 2005 and still sits on many MIA committees. At present, he is also the Chairman of Gamuda Berhad.

YM Raja Dato' Seri Abdul Aziz is a Director of K & N Kenanga Holdings Berhad, Kenanga Islamic Investors Berhad (Formerly known as Kenanga Fund Management Berhad), Hong Leong Industries Berhad, Jerneh Asia Bhd, PPB Group Berhad, Panasonic Manufacturing Malaysia Berhad and Southern Steel Berhad.

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Vivek Sharma (Independent Director)
Date of Appointment: 1 October 2012

Vivek Sharma was appointed as the Director of KIB on 1 October 2012. He has over 20 years experience in building and leading businesses in South East Asia in the fields of higher education, insurance, wealth management, and real estate. He is currently Managing Director of VS Development, a company which focuses on property development. In financial services, he was a Director of Investments at Merrill Lynch and a business leader at CiGNA in South East Asia. He was also Executive Director, Asia for Laureate Higher Education Group, as well as Director of Development, Asia for INSEAD.

He holds a BSc. Economics (Finance) from the Wharton School at the University of Pennsylvania and a MBA from IMD in Lausanne, Switzerland.

Bruce Kho Yaw Huat
Date of Appointment: 29 June 2010

Bruce Kho Yaw Huat was appointed as the Director of KIB on 29 June 2010. He has significant experience in building and leading financial management firms. His experience spans thirty-five (35) years within the fields of finance and management, twenty four (24) of which were as the Chief Executive Officer, and later Chairman, of the Allianz Group's Asian asset management business, a market leader in the provision of asset management services.

Abdul Razak bin Ahmad
Chief Executive Officer/ Executive Director
Date of Appointment: 19 July 2010

Abdul Razak bin Ahmad was appointed as Chief Executive Office / Executive Director of KIB on 19 July 2010. He has more than twenty (20) years of experience in the financial industry; mainly Asset Management, Unit Trust Business, Corporate Banking and Treasury. He had held Senior Management positions and directorship in three (3) Investment Management Organizations in Malaysia. He holds a Bachelor Degree of Science majoring in Business Administration (Finance) Magna Cum Laude from University of Southwestern Louisiana, USA. He is a holder of the Capital Markets and Services Representative License and a Certified Financial Planner.

Peter John Rayner
Date of Appointment: 11 November 2010

Peter John Rayner was appointed a Director (and Investment Committee member) of KIB on 11 November 2010. He has over thirty (30) years successful experience in building & leading businesses in the fields of Chartered Accounting, Stock Broking, Private Equity and Asset Management. He has held many senior positions including as Chief Executive Officer of both, Allianz Global Investors and Saltbush Funds Management in Australia, Executive Director of private equity firm Audant Capital, Head of Institutional Investment at Perpetual Investments and National Chief Financial Officer of a major Australian hospital group. He is currently a Director of two Australian private family companies. He holds a business degree (majoring in Accounting & Finance) from Charles Stuart University in Australia, and is a CPA.

8.2 KEY MANAGEMENT STAFF

Abdul Razak Bin Ahmad
Chief Executive Officer/ Executive Director

Abdul Razak Bin Ahmad's biography has been mentioned under The Board of Directors.

Ismitz Matthew De Alwis
Deputy Chief Executive Officer

Ismitz Matthew De Alwis joined KIB in June 2013 as Deputy Chief Executive Officer following the acquisition of ING Funds Berhad ("ING Funds") by KIB. He is responsible for the company's retail business, finance, strategic business planning, risk management and governance, business development, operations and IT functions. He was with ING Funds since 2003 and was part of the pioneer team who was responsible for the exponential growth of ING Funds in Malaysia. He was the Executive Director and country head for ING Funds. Before

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assuming the strategic and executive oversight of ING Funds; he was responsible for nationwide distribution, product management and business development for retail, corporate and institutional markets.

He started his career as an Investment Analyst with a regional research & advisory firm, where he obtains vast regional exposure in Hong Kong, Philippines, Dubai and Singapore. He was responsible for research, marketing, distribution and product development. Upon his return to Malaysia, he joined a local established financial institution and investment management company before joining ING Funds. He brings with him 21 years of experience and multiple expertise including a number of leadership roles experiences in the field of financial and investment management.

Ismitz Matthew holds a MBA from Southern Cross University where he graduated with distinction and a Bachelor Degree (H) in Business Administration from RMIT. In addition, he holds two other professional qualifications from the Chartered Institute of Marketing UK (CIM UK), and is a Certified Financial Planner (CFP). Ismitz Matthew is also a Capital Markets Services Representative's License (CMSRL) holder for investment advice, fund management and Dealing in Private Retirement Schemes approved by the Securities Commission of Malaysia.

Lee Sook Yee
Chief Investment Officer

Lee Sook Yee joined KIB as the Chief Investment Officer ("CIO") in March 2013, bringing with her more than twelve (12) years of experience in local and regional equities investment. Prior to this, Sook Yee was Head of Equities at Meridian Asset Management ("Meridian"), where she led an experienced team of fund managers/analysts in managing equities portfolios of more than RM1 billion in assets under management. At Meridian, she managed various local and regional funds. Before joining Meridian, Sook Yee was Vice President/Senior Portfolio Manager at Credit-Suisse Asset Management in Singapore where she co-managed mutual funds focusing on emerging Asian markets. She was also Associate Director/ Portfolio Manager with UOB-OSK Asset Management.

Shahariah Binti Shaharudin
Head, Institutional Business

Shahariah Binti Shaharudin joined KIB in April 2011 as Head of Institutional Business overseeing the wholesale business. Shahariah brings with her twenty (20) years of experience in the financial services industry. She began her career in a local bank and has extensive experience in both Retail and Corporate Banking. Subsequently she joined a stock broking company as Head of Dealing managing Institutional Trade. In 2006, she joined RHB Investment Management Sdn Bhd under Strategic Business and Market Development Division where her core responsibility is sourcing business and servicing both retail and wholesale clients ranging from unit trust, corporate and government agencies to insurance companies.

She graduated with Bachelor of Arts Degree in Business Studies from Knox College, Illinois and Master of Arts in Economics from University of Illinois, Springfield, USA. She holds the Capital Market Services Representatives License.

Yap Siok Hoon
Head, Retail Client Solutions & Services Group

Yap Siok Hoon joined KIB in May 2012 as Head of the Retail Client Solutions & Services Group, overseeing KIB's retail unit trust business. Siok Hoon brings with her fifteen (15) years of experience in the asset management industry and holds a Bachelor (First Class Honours) in Business Administration degree from Universiti Utara Malaysia. She started her career with Hong Leong Asset Management (HLAM) in April 1997 and has held many senior management positions, ultimately rising to a position of General Manager, Client Solutions Group, in July 2011. This role saw her managing the departments of both Retail and Institutional Business Development and Customer Experience. Her specific experience includes distribution channel sales and marketing support, agency and Institutional Unit Trust Adviser (IUTA) development, training and product development.

Andrew Chan Yee Kok
Head, Finance & Investment Operations

Andrew Chan Yee Kok joined KIB in June 2013 the head the Finance & Investment Operations team. Prior to this, Mr Chan was with ING Funds Berhad ("ING Funds"), where he joined since 2004. He has been with ING Funds since the company's inception and is one of the pioneers during the company's green field set-up. Andrew has more than 20 years of experience in the business management, finance and accounting field. He started his accounting career in Australia. Upon his return, he joined a public-listed company as a senior accountant. His last

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stint prior to joining ING Funds was with an established unit trust management company where he was responsible for all financial reporting and management. Andrew is a CPA, Aust and holds a Bachelor of Economics from La Trobe University, Melbourne, Australia.

Mariam Veronica Abu Bakkar Seddek
Head, Compliance

Mariam Veronica Abu Bakkar Seddek joined KIB in July 2012 as Head of Compliance. She graduated with a Bachelor of Science in Accounting from University of Wales Cardiff, United Kingdom in 1998. She worked as a teacher in the United Kingdom for a year before joining the SC in 1999. She served the SC for 8.5 years where she specialized in auditing asset management companies. Thereafter, she served as the Head of Compliance in a fund management company for 4 years.

8.3 THE FUND MANAGEMENT COMPANY'S TRACK RECORD AND EXPERIENCE

Pursuant to a vesting order granted by the High Court of Malaya on 25 April 2013, ING Funds Berhad has transferred its entire business including all assets and liabilities to the Fund Management Company with effect from 8 June 2013.

The Fund Management Company was incorporated as a public limited company on 2 August 1995 under the Companies Act 1965 with an authorised share capital of RM20,000,000.00 comprising 20,000,000 ordinary shares of RM1.00 each of which 6,765,300 are issued and fully paid up. KIB is 100% owned by Kenanga Investment Bank Berhad which is a wholly-own subsidiary of K & N Kenanga Holdings Berhad.

The Fund Management Company is licensed and authorised to conduct business in distributing unit trust funds and fund management on behalf of corporate, institutional and individual clients under the CMSA 2007. The Fund Management Company established its maiden fund, the Kenanga Premier Fund, on 26 November 1996 and has since then been managing an array of unit trust funds and private mandates. As at 8 June 2013, the Fund Management Company manages 29 unit trust funds and other funds from government agencies, pension funds, insurance, corporate and individual clients with a total fund size of more than RM5 billion. The Fund Management Company has the services of 95 experienced personnel (80 executives, and 15 non-executives).

8.4 SUMMARY OF FINANCIAL POSITION FOR THE LAST 3 YEARS (AUDITED)

	Year ended 31 December 2012 RM'000	Year ended 31 December 2011 RM'000	Year ended 31 December 2010 RM'000
Issued and paid-up capital	6,765	6,765	6,765
Shareholders' funds	11,036	12,777	14,067
Turnover	12,178	10,234	10,790
Pretax profit/ (loss)	(1,914)	(1,473)	875
After tax profit/ (loss)	(1,741)	(1,290)	439

8.5 ROLES AND FUNCTIONS OF THE FUND MANAGEMENT COMPANY

The Fund Management Company is responsible for the day-to-day management, marketing and administration of the Fund, where its key functions include:

- Endeavouring that the Fund is managed in a sound and professional manner in accordance with its investment objectives, the provisions of this Replacement Information Memorandum and the Deed;
- Endeavouring that the Fund is properly administered and to arrange for sale and redemption of Units of the Fund;
- Issuing the Fund's interim and annual reports to Unitholders;
- Keeping proper records of the Fund; and
- Keeping Unitholders informed on material matters relating to the Fund.

8.6 MATERIAL LITIGATION AND ARBITRATION

As at 30 May 2013, save as disclosed below, the Fund Management Company is not engaged in any litigation or arbitration proceedings, either as plaintiff or defendant which has a material effect on the financial position of the Fund Management Company, and the Board of Directors is not aware of any proceedings pending or threatened, or of any fact likely to give rise to any such proceedings which might materially and adversely affect the position or business of the Fund Management Company.

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An ex-employee of the Fund Management Company who was dismissed by the Fund Management Company has filed an action under section 20(3) of the Industrial Relations Act 1967 to challenge his dismissal. The ex-employee contends that his dismissal was without just cause or excuse and is seeking to be reinstated to his former position without any loss of salary and benefits.

The matter came up for further submissions on 31 January 2011 before the Industrial Court in Kuching. The Learned Chairman then adjourned the matter and informed us that he will be handing down his written decision on the above matter in due course. As at 30 May 2013 the Learned Chairman has yet to deliver his decision on the case.

The Directors are of the opinion that the claim has no bearing on the performance of the Fund and that it has no adverse effect on the capability of the Fund Management Company in discharging its duties and responsibilities to the Unitholders of the Fund.

8.7 INVESTMENT COMMITTEE MEMBERS

The investment committee's roles and responsibilities include the following:

- (a) Selecting appropriate strategies to achieve the proper performance of the Fund in accordance with the fund management policies;
- (b) Ensuring that the strategies selected are properly and efficiently implemented by the Fund Management Company; and
- (c) Actively monitor, measure and evaluate the fund management performance of the Fund Management Company.

The committee meets four times yearly or as circumstances require.

The investment committee comprises the following members:

- Bruce Kho Yaw Huat (Chairman)
- Syed Zafilen Syed Alwee (Independent Member)
- Vivek Sharma (Independent Member)
- Abdul Razak bin Ahmad
- Peter John Rayner

Please refer to "The Board of Directors" section for details of their profiles.

8.8 INVESTMENT MANAGEMENT TEAM

The Fund Management Company's various investment teams meet informally on a daily basis with a formal meeting (the investment sub-committee) occurring 15 times a year (at times considered appropriate), to amongst other things, monitor the changing investment landscape and reassess market conditions in terms of opportunity and risk. This activity seeks to ensure the investment strategies and policies of all funds managed by the Fund Management Company are consistently matched with the prevailing market environment and outlook.

Lee Sook Yee

Chief Investment Officer

(The designated fund manager for this Fund)

Please refer to "Key Management Staff" section for details of Sook Yee's profile.

Wong Yew Joe

Director of Investment, Fixed Income

Wong Yew Joe joined KIB in April 2011, bringing with him more than eleven (11) years of experience in the fund management industry. Prior to this, he has been in RHB Investment Management Sdn Bhd (RHBIM) for a total of seven (7) years. As the Head of Fixed Income in RHBIM, he was responsible for all fixed income investments, totalling about RM 9 billion worth of funds managed by RHBIM. Prior to RHBIM, he was with SBB Asset Management Sdn Bhd for a year as a Credit Analyst. Before that, he was with BHLB Asset Management Sdn Bhd and his principal involvement there was in business development and corporate marketing. Yew Joe is a graduate from the University of Southern Queensland with a Bachelor's Degree, majoring in Accounting and Finance.

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Tammi Lim Geok Wah
Director of Investment, Equities

Tammi Lim Geok Wah joined KIB in October 2011. Prior to this, she was attached to RHB Investment Management as Head of Equities for over four (4) years where she was responsible for the management of institutional funds, unit trust funds and corporate accounts. She began her career as an investment analyst in TA Securities Holding Berhad servicing both institutional and retail clients. Thereafter, she moved on to the fund management industry with Asialife Insurance Berhad and Manulife Insurance Berhad where she was responsible for the management of both company's life funds as well as investment-linked funds. She has more than eighteen (18) years experience in the fund management industry. She graduated from the University of Toledo, Ohio with a Masters of Business Administration, majoring in Finance.

Syhiful Zamri Bin Abdul Azid
Director of Investment, Credit and Advisory

Syhiful Zamri Bin Abdul Azid joined KIB in April 2011. Prior to this, he was with RHB Investment Management Sdn Bhd (RHBIM) as Head of Fund Management Research for more than three (3) years. He has also been with KAF Investment Bank for more than five (5) years before joining RHBIM. He has wide experience in both equity and fixed income research and had exposures doing financial analysis and marketing of unit trust funds. He graduated with an Honours Degree from De Montfort University (UK) with Bachelor in Accounting and Finance. He has more than ten (10) years experience in the industry.

Nik Hazim Nik Mohamed
Senior Portfolio Manager

Nik Hazim Nik Mohamed joined KIB in April 2009 as a Fund Manager. Prior to this, he was with Permodalan Nasional Berhad (PNB) having almost fourteen (14) years experience in the company. During his stint in PNB, he had started out managing international funds for proprietary accounts and later on public funds in Singapore. He also has wide experience in managing local unit trust fund for PNB and had exposures doing financial analysis and marketing of unit trust funds. He graduated with an Honours Degree from Universiti Utara Malaysia in Bachelor in Business Administration majoring in Finance.

Tan Lip Kwang
Portfolio Manager

Tan Lip Kwang joined Kenanga Group in May 2007. He started as an analyst in Kenanga Fund Management Berhad and trained as a generalist specializing in Malaysia market. He was promoted as a Portfolio Manager in August 2009 after obtaining his Capital Markets and Services Representative license in July 2009. Prior to Kenanga Fund Management Berhad, he was an internal auditor with Public Bank for one and a half year. Lip Kwang holds a Bachelor Degree in Finance from Lancaster University and a MSC in Actuarial Science from City University of London. Lip Kwang was appointed as the Portfolio Manager of KIB on 1 November 2010.

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9. TRUSTEE

TRUSTEE: CIMB COMMERCE TRUSTEE BERHAD

9.1 DIRECTORS

The Directors of the Trustee are:

- Zahardin Bin Oardin
- Chan Swee Liang Carolina
- Liew Pik Yoong (Alternate Director to Chan Swee Liang Carolina)

Head of Trustee Services – Liew Pik Yoong

Head of Operations - Lee Kooi Yoke

9.2 TRUSTEE'S EXPERIENCE

CIMB Commerce Trustee Berhad "CCTB" is a company incorporated in Malaysia and registered as a trust company under the Trust Companies Act 1949. CCTB was incorporated on 25 August 1994 and has been involved in the unit trust industry for 17 years. It has an authorised capital of RM5,000,000 divided into 500,000 ordinary shares of RM10 each of which the total issued capital is RM3,500,000 divided into 350,000 ordinary shares of RM10 each, and the total paid up capital is RM1,750,000 divided into 350,000 ordinary shares of RM10 each and partly paid-up at RM5 each. As at 10 May 2013, CCTB acts as Trustee for 1 real estate investment trust, 56 unit trust funds, 11 wholesale funds and 1 private retirement scheme (consisting of 4 funds) and the total staff employed is 24, which consists of 22 executives and 2 non-executives.

9.3 FINANCIAL POSITION

The following is a summary of the past performance of the Trustee based on audited accounts for the last three (3) years:

	Financial year			
	2012 (unaudited)	2011	2010	2009
Paid-up capital	1,750,000	1,750,000	1,750,000	1,750,000
Shareholders' funds	8,600,411	6,600,962	6,496,563	5,696,309
Turnover	7,916,998	6,288,772	7,112,941	7,037,826
Pre-tax profit	2,595,941	1,802,326	2,588,078	3,339,506
After tax profit	1,999,449	1,354,399	1,936,057	2,465,070

9.4 TRUSTEE'S STATEMENT OF RESPONSIBILITY

The Trustee has given its willingness to assume the position as trustee of the scheme and all the obligations in accordance with the Deed, all relevant laws and rules of law.

9.5 DUTIES AND RESPONSIBILITIES OF THE TRUSTEE IN RELATION TO THE FUND

The Trustee's functions, duties and responsibilities are set out in the Deed. The general function, duties and responsibility of the Trustee include, but are not limited to, the following:

- a. Take into custody the investments of the Fund and hold the investments in trust for the Unitholders.
- b. Ensure that the Fund Management Company operates and administers the Fund in accordance with the provisions of the Deed, SC Guidelines and acceptable business practice within the unit trust industry.
- c. As soon as practicable notify the SC of any irregularity or breach of the provisions of the Deed, SC Guidelines and any other matters which in the Trustee's opinions may indicate that the interests of Unitholders are not served.
- d. Exercise reasonable diligence in carrying out its functions and duties, in actively monitoring the operation and management of the Fund by the Fund Management Company to safeguard the interests of Unitholders.
- e. Maintain, or cause the Fund Management Company to maintain, proper accounting records and other records as are necessary to enable a complete and accurate view of the Fund to be formed and to ensure that the Fund is operated and managed in accordance with the Deed of the Fund, the Replacement Information Memorandum, the SC Guidelines and securities law.
- f. Require that the accounts be audited at least annually.

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The Trustee has covenanted in the Deed that it will exercise all due diligence and vigilance in carrying out its functions and duties, and in safeguarding the rights and interests of Investors.

9.6 MATERIAL LITIGATION AND ARBITRATION

There is no current material litigation and arbitration including those pending or threatened or any facts likely to give rise to any proceedings, which might materially affect the business/financial position of the Trustee and any of its delegates.

9.7 PURCHASE AND REDEMPTION OF UNIT PROCEDURE

The Trustee's obligation in respect of monies paid by an investor for the application of units arises when the monies are received in the relevant account of the Trustee for the Fund and the Trustee's obligation is discharged once it has paid the redemption amount to the Management Company

9.8 TRUSTEE'S DELEGATE AND DELEGATE'S ROLES AND DUTIES

CIMB Commerce Trustee Berhad has appointed CIMB Group Nominees (Tempatan) Sdn Bhd as the Trustee's delegate to perform custodial function. CIMB Group Nominees (Tempatan) Sdn Bhd is a wholly owned subsidiary of CIMB Bank Berhad. Its custodial function includes safekeeping, settlement and corporate action related processing and cash and security reporting.

All investments are automatically registered in the name of the Fund. CIMB Group Nominees (Tempatan) Sdn Bhd acts only in accordance with instructions from the Trustee.

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10. SALIENT TERMS OF THE DEED

10.1 UNITHOLDERS' RIGHTS

As a Unitholder in the Fund, your rights include:-

1. To receive the distribution of the Fund, participate in any increase in the capital value of the units and to other rights and privileges as set out in the Deed;
2. To call for Unitholders' meetings;
3. To vote for the removal of the Trustee or the Fund Management Company through a special resolution;
4. To exercise the cooling-off right;
5. To receive annual reports;
6. To receive quarterly reports and monthly statement of account.

Unitholders' rights may be varied by changes to the relevant Deed, the SC Guidelines or judicial decisions or interpretation.

10.2 UNITHOLDERS' LIABILITIES

According to the law and the Deed, your liability is limited to the value of your investments in the Fund. As Unitholders, you will not personally indemnify the Trustee and/or the Fund Management Company in the event the Fund's liabilities exceed its assets.

10.3 MAXIMUM FEES AND CHARGES PERMITTED BY THE DEED

The sales charge and other allowable fees, if any, shall be determined by the Fund Management Company and adequately disclosed in the prevailing Replacement Information Memorandum of the Fund and shall not exceed eight per centum (8 %) of the Net Asset Value of the Fund.

The repurchase charge and other allowable fees, if any, shall be determined by the Fund Management Company and adequately disclosed in the Replacement Information Memorandum of the Fund and shall not exceed five per centum (5 %) of the Net Asset Value of the Fund.

The switching fee, if any, shall be determined by the Fund Management Company and adequately disclosed in the prevailing Replacement Information Memorandum of the Fund.

The transfer fee, if any, shall be determined by the Fund Management Company and adequately disclosed in the prevailing Replacement Information Memorandum of the Fund.

10.4 PERMITTED EXPENSES PAYABLE BY THE FUND

Only the expenses which are directly related and necessary to the business of the Fund may be charged to the Fund. Among others:

- Commissions/fees paid to brokers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- Taxes and other duties charged on the Fund by the government and/or other authorities;
- Costs, fees and expenses properly incurred by the auditor appointed for the Fund;
- Costs, fees and expenses incurred for the valuation of any investment for the Fund by independent valuers for the benefit of the Fund;
- Costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Fund Management Company and/or the Trustee;
- Costs, fees and expenses incurred for any meetings of the Unitholders save where such meeting is convened for the benefit of the Fund Management Company and/or Trustee;
- Costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund;
- Costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
- Cost, fees and expenses incurred in engaging any valuer, adviser or contractor for the benefit of the Fund;
- Costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;

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- Costs fees and expenses incurred in the termination of the Fund or the removal of the Trustee or the Fund Management Company and the appointment of a new trustee or fund management company;
- Costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Fund Management Company by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund);
- Remuneration and out of pocket expenses of the independent members of the investment committee of the Fund, unless the Fund Management Company decides otherwise; and
- Costs, fees and expenses deemed by the Fund Management Company to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority.

10.5 FACTORS THAT MAY LEAD TO THE RETIREMENT, REMOVAL OR REPLACEMENT OF THE FUND MANAGEMENT COMPANY

The Fund Management Company may retire by giving 12 month's notice to the Trustee of its desire to do so or such shorter period as the Fund Management Company and the Trustee may agree upon, and may by the Deed appoint, in its stead, a new fund management company, which is approved by the SC.

The Trustee may remove the Fund Management Company and have another company appointed as Fund Management Company by special resolution of Unitholders at a duly convened meeting of which notice has been given to the Fund Management Company, the Trustee and Unitholders.

The Trustee may remove the Fund Management Company on the grounds that the company has gone into liquidation (except a voluntary liquidation) or has breached its obligations under the Deed and has failed or neglected to carry out its duties to the satisfaction of the Trustee.

10.6 POWERS OF THE FUND MANAGEMENT COMPANY TO REMOVE OR REPLACE THE TRUSTEE

The Trustee may be removed and another trustee may be appointed by special resolution of the Unitholders at a Unitholders' meeting convened in accordance with the Deed. The Fund Management Company shall take all reasonable steps to replace a trustee as soon as practicable after becoming aware that:

- (a) The Trustee has ceased to exist;
- (b) The Trustee has not been validly appointed;
- (c) The Trustee was not eligible to be appointed or to act as trustee under section 290 of the Capital Market and Services Act 2007;
- (d) The Trustee has failed or refused to act as trustee in accordance with the provisions or covenants of the Deed or the provisions of the Capital Market and Services Act 2007;
- (e) A receiver has been appointed over the whole or a substantial part of the assets or undertaking of the existing Trustee and has not ceased to act under the appointment;
- (f) A petition has been presented for the winding up of the existing trustee (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the existing Trustee becomes or is declared to be insolvent); or
- (g) The Trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 1965 or any relevant securities and other laws.

10.7 FACTORS THAT MAY LEAD TOWARDS THE RETIREMENT, REMOVAL OR REPLACEMENT OF THE TRUSTEE

The Trustee may retire by giving 12 month's notice to the Fund Management Company of its desire to do so or such shorter period as the Fund Management Company and the Trustee may agree upon, and may by supplemental deed appoint, in its stead, a new trustee, which is approved by the SC.

The Trustee may be removed and another Trustee may be appointed by special resolution of the Unitholders at a Unitholders' meeting convened in accordance with the Deed.

This document is a replacement information memorandum in respect of the Kenanga Principal Protected Income Fund (formerly known as ING Principal Protected Income) dated 8 June 2013 which replaces and supersedes the information memorandum in respect of the ING Principal Protected Income dated 2 May 2012 and the first supplemental information memorandum dated 15 October 2012 and the second supplemental information memorandum dated 3 May 2013.

10.8 POWER OF THE TRUSTEE TO REMOVE, RETIRE OR REPLACE THE FUND MANAGEMENT COMPANY

The Fund Management Company may be removed by the Trustee on the grounds that the Fund Management Company is in breach of its obligations under the Deed or it has failed or neglected to carry out its duties to the satisfaction of the Trustee or the Fund Management Company has gone into liquidation and the Trustee considers that it would be in the interests of the investors for it to do so, after it has given notice and reasons and has considered representations made by the Fund Management Company in respect of that opinion, and after consultation with the relevant authorities.

10.9 TERMINATION OF THE FUND

Instances where the Fund may be terminated:

- Revocation of SC's approval;
- The Fund Management Company is in liquidation or ceased to carry on business or failed to comply with the Deed or CMSA provisions and a resolution to wind up the Fund has been confirmed by the court;
- Special resolution is passed to terminate/wind up the Fund;
- Fund has matured; or
- Fund has no assets as a result of a transfer scheme.

After selling the Fund's property, the Fund Management Company may choose to distribute the net cash proceeds to Unitholders. While the Fund is being terminated, the Fund Management Company will prepare annual and quarterly reports or may decide otherwise after consulting with auditor and the SC.

10.10 UNITHOLDERS' MEETING

A Unitholders' meeting may be called by the Fund Management Company, Trustee and/or Unitholders. Any such meeting must be convened in accordance with the Deed and/or the Guidelines.

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

The quorum required for a meeting of the Unitholders shall be 5 Unitholders, whether present in person or by proxy, provided always that the quorum for a meeting of the Unitholders convened for the purpose of removing the Manager and/or the Trustee shall be 10 Unitholders, whether present in person or by proxy, who must hold in aggregate at least 50% of the Units in circulation at the time of the meeting. If the Fund has 5 or less Unitholders, the quorum required for a meeting of the Unitholders of the Fund shall be 2 Unitholders, whether present or by proxy; if the meeting convened for the purpose of removing the Fund Management Company and/or the Trustee, the Unitholders present in person or by proxy must hold in aggregate at least 50% of the Units in circulation at the time of the meeting.

This document is a replacement information memorandum in respect of the Kenanga Principal Protected Income Fund (formerly known as ING Principal Protected Income) dated 8 June 2013 which replaces and supersedes the information memorandum in respect of the ING Principal Protected Income dated 2 May 2012 and the first supplemental information memorandum dated 15 October 2012 and the second supplemental information memorandum dated 3 May 2013.

11. CONFLICT OF INTEREST

11.1 POLICY ON CONFLICT OF INTEREST

Fund Management Company

Directors, investment committee members and staff of the Fund Management Company must be alert and avoid or declare any conflict of interest situations to the company secretary. A situation of conflict of interest may erode the trust and confidence of the public in dealing with us.

All conflict of interest situations, if any, will be forwarded to the investment committee for verification before a fair and equitable decision is reached. The decision from the investment committee will be final.

None of our directors or substantial shareholders has any direct or indirect interest in other corporations carrying on a similar business as the Fund Management Company as at 30 May 2013.

Members Dealing in Securities

- (a) Trading in securities by a member for his/her personal account or for a connected person or under the name of a nominee is not encouraged and if done so, he/she should ensure that the dealing is not taking advantage or be viewed as taking advantage of information not generally known to the public ("Chinese Wall" provision = artificial barriers to the flow of information).
- (b) Dealings by employees in their own name but on behalf, and for the benefit, of another person may only be carried out with the prior approval of a director and/or CEO.
- (c) A member when dealing in securities whether for the Fund Management Company, the client or personal account shall consistently adhere to ethical standards in such dealings. A member shall not engage in share dealing transactions of a nature that is questionable or illegal and therefore shall not engage in share dealing transactions, either by himself or with others which are, or which will give resemblance of false trading, market rigging or market manipulation.

Trustee – CIMB Commerce Trustee Berhad

As Trustee for the Fund, there may be related party transaction involving or in connection with the Fund in the following events:-

- (a) Where the Fund invests in instruments offered by the related party of the Trustee (e.g placement of monies, structured products, etc);
- (b) Where the Fund is being distributed by the related party of the Trustee as Institutional Unit Trust Adviser (IUTA);
- (c) Where the assets of the Fund are being custodised by the related party of the Trustee both as sub-custodian and/or global custodian of the Fund (Trustee's delegate); and
- (d) Where the Fund obtains financing as permitted under the Guidelines, from the related party of the Trustee.

The Trustee has in place policies and procedures to deal with conflict of interest, if any. The Trustee will not make improper use of its position as the owner of the Fund's assets to gain, directly or indirectly, any advantage or cause detriment to the interests of Unitholders. Any related party transaction is to be made on terms which are best available to the Fund and which are not less favourable to the Fund than an arms-length transaction between independent parties.

Subject to the above and any local regulations, the Trustee and/or its related group of companies may deal with each other, the Fund or any Unitholder or enter into any contract or transaction with each other, the Fund or any Unitholder or retain for its own benefit any profits or benefits derived from any such contract or transaction or act in the same or similar capacity in relation to any other scheme.

This document is a replacement information memorandum in respect of the Kenanga Principal Protected Income Fund (formerly known as ING Principal Protected Income) dated 8 June 2013 which replaces and supersedes the information memorandum in respect of the ING Principal Protected Income dated 2 May 2012 and the first supplemental information memorandum dated 15 October 2012 and the second supplemental information memorandum dated 3 May 2013.

12. ADDITIONAL INFORMATION

12.1 MANAGING YOUR INVESTMENT PORTFOLIO

Unitholders can seek the assistance of our marketing personnel on Fund related issues at our business office during our business hours from 8.30 a.m. to 5.30 p.m. from Monday to Friday.

12.2 KEEPING TRACK OF YOUR INVESTMENT

During any particular financial year, as a Unitholder, you will receive:

- An audited annual report for the financial year-end of the Fund, which provides an account of the Fund including a complete portfolio listing and your annual statement reflecting the transactions for the year;
- An unaudited 3 months quarterly report which provides an account of the Fund including a complete portfolio listing and your interim statement reflecting the transactions for the period;
- A tax voucher showing details required for submission to the Inland Revenue Department at every income distribution (if any) of the Fund.

You can also:

- Check the current value of your investments by calling our investor services centre or any of our appointed Institutional Unit Trust Advisers and Corporate Unit Trust Advisers;
- Check NAV per unit which is published on our website at www.KenangaInvestors.com.my.

12.3 DOCUMENTS AVAILABLE FOR INSPECTION

During the period of not less than 12 months of the Replacement Information Memorandum, the following documents are available for inspection at the Fund Management Company's and Trustee's business office upon request without charge:

- The Deed;
- The audited account of the Fund Management Company for the last 5 financial years or from the date of incorporation;
- Any material contract or document referred to in this Replacement Information Memorandum;
- All reports, letters or other documents, valuations and statements by any expert, any part of which are extracted or referred to in this Replacement Information Memorandum; and
- Any consent given by experts or persons named in this Replacement Information Memorandum.

12.4 PERIODIC REPORTS

The Fund Management Company will provide the Fund's investors:

- A monthly statement of accounts.
- Quarterly and annual reports which will include the key risk factors faced by the Fund and the Fund's investment outlook for that reporting period.

The quarterly and annual reports will contain, among other things, the Fund's financial performance, the level of borrowing (if any, and including the extension of credit and other forms of lending), credit risk (including the implication of borrowings, if any), market outlook, changes in key investment team (including any delegates), illiquid holdings, details on portfolio exposure and information on fund performance and volatility. The financial statements in the Fund's annual report will be audited by an external auditor.

THIS FIRST SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 8 JUNE 2013 RELATING TO THE KENANGA PRINCIPAL PROTECTED INCOME FUND.

FIRST SUPPLEMENTAL INFORMATION MEMORANDUM IN RESPECT OF THE KENANGA PRINCIPAL PROTECTED INCOME FUND

Manager:
Kenanga Investors Berhad (353563-P)

Trustee:
CIMB Commerce Trustee Berhad (313031-A)

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THE INFORMATION MEMORANDUM DATED 8 JUNE 2013 AND THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

THIS FIRST SUPPLEMENTAL INFORMATION MEMORANDUM IS DATED 31 MARCH 2015.

THIS FIRST SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 8 JUNE 2013 RELATING TO THE KENANGA PRINCIPAL PROTECTED INCOME FUND.

RESPONSIBILITY STATEMENT

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

STATEMENT OF DISCLAIMER

The Securities Commission Malaysia has authorized the Fund, the subject of this First Supplemental Information Memorandum dated 31 March 2015, the Information Memorandum dated 8 June 2013, and the authorization shall not be taken to indicate that the Securities Commission Malaysia recommends the investment.

The Securities Commission Malaysia will not be liable for any non-disclosure on the part of Kenanga Investors Berhad and takes no responsibility for the contents of this First Supplemental Information Memorandum, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon the whole or any part of the contents of this First Supplemental Information Memorandum.

INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR PROFESSIONAL ADVISERS IMMEDIATELY.

THIS FIRST SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 8 JUNE 2013 RELATING TO THE KENANGA PRINCIPAL PROTECTED INCOME FUND.

Unless otherwise provided in this First Supplemental Information Memorandum, all the capitalized terms used herein shall have the same meanings as ascribed to them in the Information Memorandum dated 8 June 2013 (“Information Memorandum”).

EXPLANATORY NOTE:

This First Supplemental Information Memorandum has been issued to inform Unit Holders and investors of the following:

- (i) All fees and charges payable to the Fund Management Company (“Manager”) and Trustee are subject to goods and services tax (“GST”) as may be imposed by the government or other authorities from time to time; and
- (ii) Changes to the information relating to the board of directors, investment committee and key management staff.

**A. CHANGES TO CHAPTER 1 – GLOSSARY OF TERMS
(page 5 of the Information Memorandum)**

The definition of “Deed” is hereby deleted and replaced with the following:

- | | |
|-------------|--|
| <i>Deed</i> | <ul style="list-style-type: none">• Deed dated 25 February 2008• First Supplemental Deed dated 15 May 2013• Second Supplemental Deed dated 25 March 2015 |
|-------------|--|

**B. CHANGES TO CHAPTER 2 – CORPORATE DIRECTORY
(page 8 of the Information Memorandum)**

(1) BOARD OF DIRECTORS

Information pertaining to the board of directors is hereby deleted in its entirety and replace with the following:

- Datuk Syed Ahmad Alwee Alsree (Chairman)
- Syed Zafilen Syed Alwee (Independent Director)
- Peter John Rayner (Independent Director)
- Bruce Kho Yaw Huat
- Ismitz Matthew De Alwis

(2) INVESTMENT COMMITTEE

Information of the investment committee is hereby deleted in its entirety and replace with the following:

- Bruce Kho Yaw Huat (Chairman)
- Syed Zafilen Syed Alwee (Independent Member)
- Peter John Rayner (Independent Member)
- Ismitz Matthew De Alwis

THIS FIRST SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 8 JUNE 2013 RELATING TO THE KENANGA PRINCIPAL PROTECTED INCOME FUND.

C. CHANGES TO CHAPTER 3 – KEY DATA OF KENANGA PRINCIPAL PROTECTED INCOME FUND (page 11 of the Information Memorandum)

The following statement is inserted at the end of section 3.2 – Fees and charges:

All fees and charges payable to the Manager and the Trustee are subject to goods and services tax as may be imposed by the government or other authorities from time to time.

D. CHANGES TO CHAPTER 6 – FEES, CHARGES AND EXPENSES (page 18 of the Information Memorandum)

The following statement is inserted at the end of section 6.4.2 – Annual trustee fee:

All fees and charges payable to the Manager and the Trustee are subject to goods and services tax as may be imposed by the government or other authorities from time to time.

E. CHANGES TO CHAPTER 8 – THE FUND MANAGEMENT COMPANY

(1) SECTION 8.1 – AMENDMENT TO THE BOARD OF DIRECTORS (pages 25 – 26 of the Information Memorandum)

- (i) Information pertaining to YM Raja Dato' Seri Abdul Aziz bin Raja Salim and Vivek Sharma are hereby deleted in its entirety.
- (ii) Information pertaining to Peter John Rayner is hereby deleted in its entirety and replaced with the following:

Peter John Rayner (Independent Director)
Date of Appointment: 11 November 2010

Peter John Rayner was appointed a director (and investment committee member) of KIB on 11 November 2010. He has over thirty (30) years successful experience in building & leading businesses in the fields of Chartered Accounting, Stock Broking, Private Equity and Asset Management. He has held many senior positions including as chief executive officer of both, Allianz Global Investors and Saltbush Funds Management in Australia, executive director of private equity firm Audant Capital, Head of Institutional Investment at Perpetual Investments and National Chief Financial Officer of a major Australian hospital group. He is currently also a trustee of the Rookwood General Cemeteries Trust in Sydney, and a director of two Australian private family companies. He holds a business degree (majoring in Accounting & Finance) from Charles Sturt University in Australia, and is a Certified Practising Accountant (CPA).

- (iii) Information pertaining to Abdul Razak bin Ahmad is hereby deleted in its entirety and replaced with the following:

Ismitz Matthew De Alwis (Non-independent Director)
Executive Director and Chief Executive Officer
Date of Appointment: 25 February 2015

Ismitz Matthew De Alwis was appointed as the Chief Executive Officer for Kenanga Investors Berhad (KIB) in February 2015. He is responsible for the overall asset and investment management business of KIB and its subsidiaries. He joined KIB in June 2013 as Deputy Chief Executive following the acquisition of ING Funds Berhad ("ING Funds") by KIB. He was responsible for the company's retail business, finance, strategic business planning, risk management and governance, business development, operations and IT functions. He was with ING Funds since 2003 and was part of the pioneer team who was responsible for the exponential growth of ING Funds in Malaysia. He was the Executive Director and country head for ING Funds. Before assuming the strategic and executive

THIS FIRST SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 8 JUNE 2013 RELATING TO THE KENANGA PRINCIPAL PROTECTED INCOME FUND.

oversight of ING Funds; he was responsible for nationwide distribution, product management and business development for retail, corporate and institutional markets.

Matthew started his career as an Investment Analyst with a regional research & advisory firm, where he obtains vast regional exposure in Hong Kong, Philippines, Dubai and Singapore. He was responsible for research, marketing, distribution and product development. Upon his return to Malaysia, he joined a local established financial institution and investment management company before joining ING Funds. He brings with him 21 years of experience, multiple expertise and several leadership roles in the fields of financial and investment management.

Matthew has attended the Advanced Business Management Program (ABMP) by International Institute for Management Development (IMD), Lausanne, Switzerland and holds a MBA from Southern Cross University where he graduated with distinction. In addition, he has a Bachelor Degree (H) in Business Administration from RMIT and holds two other professional qualifications from the Chartered Institute of Marketing UK (CIM UK), and is a Certified Financial Planner (CFP). Matthew also holds a Capital Markets Services Representative's Licence (CMSRL) from the SC for fund management and investment advice.

(2) SECTION 8.2 – AMENDMENT TO THE KEY MANAGEMENT STAFF
(pages 26 – 28 of the Information Memorandum)

- (i) Information pertaining to Abdul Razak bin Ahmad and Ismitz Matthew De Alwis are hereby deleted in its entirety and replaced with the following:

Ismitz Matthew De Alwis
Executive Director/Chief Executive Officer

Ismitz Matthew De Alwis's profile is as set out under the Board of Directors section.

- (ii) Information pertaining to Shahariah Binti Shaharudin is hereby deleted in its entirety and replaced with the following:

Mariam Veronica Abu Bakkar Seddek
Head, Institutional Business

Mariam Veronica joined KIB in July 2012 and assumed the role of the Senior Vice President, Institutional Business in March 2014 overseeing the institutional and corporate businesses of KIB. Mariam brings with her over 15 years of extensive experience in the capital market industry specialising in the areas of asset management, unit trust and audit. She was previously the Head of Compliance in one of the leading asset management companies in Malaysia. She had also gained numerous capital market experience and knowledge through her 8.5 years stint with the Securities Commission Malaysia. Prior to starting her career in Malaysia, Mariam had a one year working experience in the education sector in the United Kingdom.

Mariam is currently a holder of the Capital Market Services Representative License. She graduated with a Bachelor of Science in Accounting from University of Wales Cardiff, United Kingdom in 1998..

- (iii) Information pertaining to Yap Siok Hoon is hereby deleted in its entirety.

THIS FIRST SUPPLEMENTAL INFORMATION MEMORANDUM WHICH HAS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 8 JUNE 2013 RELATING TO THE KENANGA PRINCIPAL PROTECTED INCOME FUND.

- (iv) Information pertaining to Andrew Chan Yee Kok is hereby deleted in its entirety and replaced with the following:

**Andrew Chan Yee Kok
Chief Financial Officer**

Andrew Chan joined KIB in June 2013 to head the Finance & Investment Operations team. Prior to this, Andrew was with ING Funds Berhad ("ING Funds"), where he joined since 2004. He has been with ING Funds since the company's inception and is one of the pioneers during the company's green field set-up. Andrew has more than twenty (20) years of experience in the business management, finance and accounting field. He started his accounting career in Australia. Upon his return, he joined a public-listed company as a senior accountant. His last stint prior to joining ING Funds was with an established unit trust management company where he was responsible for all financial and management reporting. Andrew is a Certified Practising Accountant ("CPA"), Australia and holds a Bachelor of Economics from La Trobe University, Melbourne, Australia.

- (v) Information pertaining to Mariam Veronica is hereby deleted in its entirety and replaced with the information pertaining to Dr. Sahar Effendi bin Hj Daud as follows:

**Dr. Sahar Effendi bin Hj Daud
Head, Compliance**

Dr. Sahar joined KIB on 3 November 2014 as the Head of Compliance. He started his career in 1997 with an international affiliated accounting firm before joining the Securities Commission in 2001. Whilst with the SC, he was attached to the Trust and Investment Management Department for about 2 years prior to joining the Investigation Department until his departure from the SC in October 2014. During his tenure with the Investigation Department, he was exposed to numerous high profile cases in various areas involving insider trading, market manipulation, illegal investment schemes, corporate fraud and forensic accounting as well as money laundering related offences.

Dr. Sahar, a Chartered Accountant (Malaysia), holds a Bachelor of Accountancy (Hons) from Universiti Putra Malaysia, MBA (Management and Finance) and Doctor of Business Administration (Accounting: Financial Disclosure, Corporate Governance and Performance Measurement); both from Universiti Utara Malaysia. Dr. Sahar is also a member of the Malaysian Institute of Accountants (MIA), Chartered Tax Institute of Malaysia (CTIM), Association of Certified Fraud Examiner (ACFE) as well as the Certified Financial Investigator Alumni (CFIA).

Dr Sahar is the designated person responsible for compliance matters for the Fund.

**(3) SECTION 8.7 – AMENDMENT TO THE INVESTMENT COMMITTEE MEMBERS
(page 29 of the Information Memorandum)**

Information of the investment committee members is hereby deleted in its entirety and replaced with the following:

The investment committee comprises the following members:

- Bruce Kho Yaw Huat (Chairman)
- Syed Zafilen Syed Alwee (Independent Member)
- Peter John Rayner (Independent Member)
- Ismitz Matthew De Alwis

(4) SECTION 8.8 – AMENDMENT TO THE INVESTMENT MANAGEMENT TEAM
(pages 29 – 30 of the Information Memorandum)

- (i) Information pertaining to Wong Yew Joe is hereby deleted in its entirety and replaced with the following:

Choy Wai Kin
Head, Fixed Income

Choy Wai Kin joined Kenanga Investors Berhad in July 2014 as the Head of Fixed Income. He has more than 12 years' experience in the financial markets with an in-depth understanding of central banking, monetary and financial stability policies. He has hands-on experience in portfolio management and proprietary trading across various asset classes – bonds, bond futures, foreign exchange (FX), equities, equity index futures and commodity futures. He had managed Bank Negara Malaysia's foreign reserves portfolio, in particular the United States dollar and Canadian dollar fixed-income portfolios, as well as the FX composition. He also managed the Reserve Bank of New Zealand's (RBNZ) foreign reserves portfolio, and assisting RBNZ in conducting New Zealand dollar FX interventions. He was previously the Associate Director in the Equity & Commodity Derivatives at Maybank Investment Bank Berhad and he also held several other posts whilst working in New Zealand, which encompasses Portfolio Analyst, Senior Financial Markets Analyst and Policy Analyst.

- (ii) Information pertaining to Tammi Lim Geok Wah, Syhiful Zamri Bin Abdul Azid and Tan Lip Kwang are hereby deleted in its entirety.



Kenanga Investors

**SECOND SUPPLEMENTAL INFORMATION
MEMORANDUM**

IN RESPECT OF THE

**KENANGA PRINCIPAL PROTECTED
INCOME FUND**

Manager:

Kenanga Investors Berhad
Registration No.: 199501024358 (353563-P)

Trustee:

CIMB Commerce Trustee Berhad
Registration No.: 199401027349 (313031-A)

This Second Supplemental Information Memorandum is dated 28 February 2024.

Date of constitution of the Fund: 25 April 2008.

This Second Supplemental Information Memorandum must be read together with the Replacement Information Memorandum dated 8 June 2013 and the First Supplemental Information Memorandum dated 31 March 2015.

Investors are advised to read and understand the contents of this Second Supplemental Information Memorandum which is to be read together with the Replacement Information Memorandum dated 8 June 2013 and the First Supplemental Information Memorandum dated 31 March 2015. If in doubt, please consult a professional adviser before subscribing to units of the Kenanga Principal Protected Income Fund.

RESPONSIBILITY STATEMENTS AND STATEMENTS OF DISCLAIMER

This second supplemental information memorandum dated 28 February 2024 ("Second Supplemental Information Memorandum") in relation to the Kenanga Principal Protected Income Fund ("the Fund") has been seen and approved by the directors of Kenanga Investors Berhad and they collectively and individually accept full responsibility for the accuracy of all information contained herein and confirm, having made all enquiries which are reasonable in the circumstances, that to the best of their knowledge and belief, there are no other facts omitted which would make any statement herein misleading.

The Securities Commission Malaysia has not authorised or recognised the Fund and a copy of this Second Supplemental Information Memorandum, the first supplemental information memorandum dated 31 March 2015 ("First Supplemental Information Memorandum") and the replacement information memorandum dated 8 June 2013 ("Replacement Information Memorandum") have not been registered with the Securities Commission Malaysia.

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

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Kenanga Investors Berhad who is responsible for the Fund and takes no responsibility for the contents in this Second Supplemental Information Memorandum, the First Supplemental Information Memorandum and the Replacement Information Memorandum. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Second Supplemental Information Memorandum, the First Supplemental Information Memorandum and the Replacement Information Memorandum, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of the contents of this Second Supplemental Information Memorandum, the First Supplemental Information Memorandum and the Replacement Information Memorandum.

SOPHISTICATED INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR PROFESSIONAL ADVISERS IMMEDIATELY.

ADDITIONAL STATEMENTS

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 Second Supplemental Information Memorandum, the First Supplemental Information Memorandum and the Replacement Information Memorandum that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Second Supplemental Information Memorandum, the First Supplemental Information Memorandum and the Replacement Information Memorandum or the conduct of any other person in relation to the Fund.

THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM IS DATED 28 FEBRUARY 2024 AND MUST BE READ TOGETHER WITH THE REPLACEMENT INFORMATION MEMORANDUM DATED 8 JUNE 2013 AND THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 31 MARCH 2015.

Unless otherwise provided in this Second Supplemental Information Memorandum, all the capitalised terms used herein shall have the same meanings as ascribed to them in the Replacement Information Memorandum dated 8 June 2013 and the First Supplemental Information Memorandum dated 31 March 2015.

1. General Amendment to the Replacement Information Memorandum

The references to “Fund Management Company” and “Qualified investor(s)” wherever they appear in the Replacement Information Memorandum will be amended to “Manager” and “Sophisticated Investor(s)” respectively.

2. Amendment to “Chapter 1 – Glossary of Terms” on pages 5 to 6 of the Replacement Information Memorandum

- (i) The definitions of “Authorised distributor”, “Collection Centre”, “Collective Investment Scheme”, “Forward pricing” and “Securities Laws” are hereby deleted in their entirety.
- (ii) The definitions of “Guidelines” and “Fund Management Company, KIB, or we” are hereby deleted in their entirety and replaced with the following:

<i>Guidelines</i>	Means Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC and any other relevant guidelines issued by the SC.
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<i>Manager, KIB, or we</i>	Refers to Kenanga Investors Berhad (Registration No.: 199501024358 (353563-P)).
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- (iii) The following definition of “NAV per unit” is hereby inserted immediately after the definition of “MARC”:

<i>NAV per unit</i>	The NAV of the Fund divided by the total number of units in circulation at the same valuation point.
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- (iv) The definitions of “Qualified investors”, “Trustee” and “Unitholder” are hereby deleted in their entirety and replaced with the following:

<i>Sophisticated Investor(s)</i>	Means:
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- (a) any person who is determined to be a sophisticated investor under the Guidelines on Categories of Sophisticated Investors;
- (b) any person who acquires any capital market product specified under the Guidelines where the consideration is not less than RM250,000 or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise; or
- (c) any other category of investors as may be permitted by the SC from time to time.

THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM IS DATED 28 FEBRUARY 2024 AND MUST BE READ TOGETHER WITH THE REPLACEMENT INFORMATION MEMORANDUM DATED 8 JUNE 2013 AND THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 31 MARCH 2015.

<i>Trustee</i>	Refers to CIMB Commerce Trustee Berhad (Registration No.: 199401027349 (313031-A)).
<i>Unitholder</i>	A Sophisticated Investor for the time being registered as the holder of units in the Fund, including a jointholder.

- (v) The following information is hereby inserted immediately after the definition of “Wholesale fund”:

In this Replacement Information Memorandum, unless otherwise stated, monetary amounts are expressed exclusive of government and statutory taxes (if any).

All references to “we”, “us” and “our” in this Replacement Information Memorandum mean KIB, the manager of the Fund.

Words denoting the singular shall, where applicable, include the plural and vice versa, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa.

Any reference to any legislation or guideline in this Replacement Information Memorandum is a reference to that legislation or guideline as for that time being amended or re-enacted.

3. Amendment to “Chapter 2 – Corporate Directory” on pages 7 to 9 of the Replacement Information Memorandum and section B on page 1 of the First Supplemental Information Memorandum

- (i) The information on “The Fund Management Company” is hereby deleted in its entirety and replaced with the following:

Manager	Kenanga Investors Berhad (Registration No.: 199501024358 (353563-P))
Registered Office:	Level 17, Kenanga Tower 237, Jalan Tun Razak 50400 Kuala Lumpur
Telephone number:	03-2172 2888
Facsimile number:	03-2172 2999
Business Address:	Level 14, Kenanga Tower 237, Jalan Tun Razak 50400, Kuala Lumpur
Telephone number:	1800 88 3737
Facsimile number:	03-2172 3080
Email Address:	investorservices@kenanga.com.my
Website:	www.kenangainvestors.com.my

THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM IS DATED 28 FEBRUARY 2024 AND MUST BE READ TOGETHER WITH THE REPLACEMENT INFORMATION MEMORANDUM DATED 8 JUNE 2013 AND THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 31 MARCH 2015.

- (ii) The information on “Board of Directors” is hereby deleted in its entirety and replaced with the following:

The list of board of directors are available on the Manager’s website, <https://www.kenangainvestors.com.my/board-of-directors>.

- (iii) The information on “Investment Committee” and “Secretary” are hereby deleted in their entirety.

- (iv) The information on “Trustee” is hereby deleted in its entirety and replaced with the following:

Trustee:	CIMB Commerce Trustee Berhad (Registration No.: 199401027349 (313031-A))
Registered Office:	Level 13, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur
Telephone number:	03-2261 8888
Facsimile number:	03-2261 0099
Business Address:	Level 21, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur
Telephone number:	03-2261 8888
Facsimile number:	03-2261 9894
Email Address:	ss.corptrust@cimb.com
Website:	www.cimb.com

- (v) The information on “Independent Legal Adviser” is hereby deleted in its entirety.

- (vi) The information on “Federation of Investment Managers Malaysia” is hereby deleted in its entirety and replaced with the following:

19-06-1, 6th Floor
Wisma Tune, 19, Lorong Dungun
Damansara Heights
50490 Kuala Lumpur
Tel: 03-7890 4242
Email: info@fimm.com.my

- (vii) The information on “Principal Bankers” is hereby deleted in its entirety.

- (viii) The information on “Regional Branch Offices” is hereby deleted in its entirety.

THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM IS DATED 28 FEBRUARY 2024 AND MUST BE READ TOGETHER WITH THE REPLACEMENT INFORMATION MEMORANDUM DATED 8 JUNE 2013 AND THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 31 MARCH 2015.

4. **Amendment to section 3.1 – General Information in “Chapter 3 – Key Data of Kenanga Principal Protected Income Fund” on page 11 of the Replacement Information Memorandum**

The information on “Approved fund size” is hereby deleted in its entirety.

5. **Amendment to section 3.2 – Fees and Charges in “Chapter 3 – Key Data of Kenanga Principal Protected Income Fund” on page 11 of the Replacement Information Memorandum and section C on page 2 of the First Supplemental Information Memorandum**

The information which was inserted at the end of section 3.2 - Fees and Charges via the First Supplemental Information Memorandum is hereby deleted in its entirety and replaced with the following:

All fees and charges payable to the Manager and the Trustee are subject to any applicable tax which may be imposed by the government or other authorities from time to time.

6. **Amendment to section 3.3 – Transactions in “Chapter 3 – Key Data of Kenanga Principal Protected Income Fund” on page 12 of the Replacement Information Memorandum**

- (i) The information on “Period of payment of redemption proceeds”, and “Unclaimed income policy” are hereby deleted in their entirety and replaced with the following:

Period of payment of redemption proceeds	Payment of redemption proceeds will be made on the same Business day on which a redemption request is deemed received by the Manager.	7.3
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Unclaimed moneys policy	Under the provision of the Unclaimed Moneys Act 1965, any distribution/money that remains unsettled after more than twelve (12) months as at 31 December of each year from its payment date have to be gazetted and surrendered to the Registrar of Unclaimed Moneys, Accountant General's Department by 31 March in the following year.	-
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Thereafter, you will have to claim your money directly from the Registrar of Unclaimed Moneys by completing Form UMA7 (Claim form to refund unclaimed moneys from the Consolidated Trust Account) together with supporting documents, i.e., identity card, original documents (example: distribution warrant) and a copy of bank statement. Form UMA7 can be obtained from the office of Registrar of Unclaimed Moneys or downloaded from the website: <https://ewtd.anm.gov.my/index.php>.

THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM IS DATED 28 FEBRUARY 2024 AND MUST BE READ TOGETHER WITH THE REPLACEMENT INFORMATION MEMORANDUM DATED 8 JUNE 2013 AND THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 31 MARCH 2015.

(ii) The information on “Cooling-off period” is hereby deleted in its entirety.

7. **Amendment to section 6.3 – Fees and Charges Directly Incurred in “Chapter 6 – Fees, Charges and Expenses” on page 17 of the Replacement Information Memorandum**

(i) The following information is hereby inserted immediately after section 6.3.1 – Entry Fee:

Computation of the Entry Price

You may invest in units of the Fund on any Business day.

The number of units invested is determined by dividing the investment amount (excluding Entry fee) with the NAV per unit at the next valuation point after we receive the investment application, rounded to the nearest two (2) decimal points.

Illustration: Determining Investment Amount & Units Entitlement			
Add:	Investment amount	RM	10,000.00
	Entry fee (Nil)		NIL
	Total amount payable by investor	RM	10,000.00
If the NAV per unit calculated at the next valuation point is RM1.0000, the number of units invested would be:			
Divide:	Investment amount	RM	10,000.00
	NAV per unit	RM	1.0000
	Number of units invested		10,000.00 units

The remainder of the page is intentionally left blank

THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM IS DATED 28 FEBRUARY 2024 AND MUST BE READ TOGETHER WITH THE REPLACEMENT INFORMATION MEMORANDUM DATED 8 JUNE 2013 AND THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 31 MARCH 2015.

- (ii) The following information is hereby inserted immediately after section 6.3.2 – Redemption Fee:

Computation of the Redemption Proceeds

You may redeem your investment on any Business day.

The redemption proceeds are calculated by multiplying the NAV per unit at the next valuation point after we receive the redemption request, by the number of units to be redeemed.

Illustration: Determining the Redemption Proceeds			
Number of units to be redeemed			10,000.00 units
If the NAV per unit calculated at the next valuation point is RM1.0000, the redemption proceeds would be:			
Multiply:	NAV per unit	RM	1.0000
	Redemption proceeds	RM	10,000.00
Less:	Redemption charge (Nil)		NIL
	Net amount payable to investor	RM	10,000.00

Please note that the above example is for illustrative purpose only.

8. **Amendment to section 6.4.2 – Annual trustee fee in “Chapter 6 – Fees, Charges and Expenses” on page 18 of the Replacement Information Memorandum and section D on page 2 of the First Supplemental Information Memorandum**

The information which was inserted at the end of section 6.4.2 – Annual trustee fee via the First Supplemental Information Memorandum is hereby deleted in its entirety and the following information is hereby inserted at the end of “Chapter 6 – Fees, Charges and Expenses”:

All fees and charges payable to the Manager and the Trustee are subject to any applicable tax which may be imposed by the government or other authorities from time to time.

9. **Amendment to section 7.2 – Investing into Kenanga Principal Protected Income Fund in “Chapter 7 – Transaction Information” on page 20 of the Replacement Information Memorandum**

The fifth and sixth paragraphs of “Investing into Kenanga Principal Protected Income Fund” are hereby deleted in their entirety.

THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM IS DATED 28 FEBRUARY 2024 AND MUST BE READ TOGETHER WITH THE REPLACEMENT INFORMATION MEMORANDUM DATED 8 JUNE 2013 AND THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 31 MARCH 2015.

10. Amendment to section 7.3 – Redeeming from Kenanga Principal Protected Income Fund in “Chapter 7 – Transaction Information” on pages 20 to 21 of the Replacement Information Memorandum

The information on “Redeeming from Kenanga Principal Protected Income Fund” is hereby deleted in its entirety and replaced with the following:

The redemption price for units will be the NAV per unit of the Fund as at the next valuation point after the request for redemption is received by the Manager. Unitholders may redeem their investments in the Fund on any Business day by completing the prescribed redemption request form or in such other manner as the Manager may accept and returning it to the Manager on or before the cut-off time of 11:00 a.m. on any Business day. Any redemption request received by the Manager after the cut-off time will be deemed to have been received on the next Business day.

There is no restriction on the frequency of redemption.

Redemption requests received by the Manager on or before the cut-off time will be transacted at the redemption price calculated at the next valuation point after such redemption request is received by the Manager (i.e. “forward pricing”).

Payment of redemption proceeds will be made on the same Business day on which a redemption request is deemed received by the Manager.

11. Amendment to section 7.4 – Cooling-off in “Chapter 7 – Transaction Information” on page 21 of the Replacement Information Memorandum

The information on “Cooling-Off” is hereby deleted in its entirety.

12. Amendment to “Chapter 8 – The Fund Management Company” on page 25 of the Replacement Information Memorandum

The following information is hereby inserted at the beginning of “Chapter 8 – The Fund Management Company”:

8. THE MANAGER

The Manager, Kenanga Investors Berhad, was incorporated as a public limited company on 2 August 1995 and holds the capital markets and services licence for fund management in Malaysia under the CMSA. KIB has more than 20 years’ experience in providing fund management and fund advisory services, for both institutional and retail clients. KIB is a wholly-owned subsidiary of Kenanga Investment Bank Berhad and is licensed to perform the regulated activities of fund management, dealing in securities (restricted to unit trusts), investment advice, financial planning and dealing in private retirement schemes under the CMSA.

THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM IS DATED 28 FEBRUARY 2024 AND MUST BE READ TOGETHER WITH THE REPLACEMENT INFORMATION MEMORANDUM DATED 8 JUNE 2013 AND THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 31 MARCH 2015.

13. Amendment to section 8.1 – Board of Directors in “Chapter 8 – The Fund Management Company” on pages 25 to 26 of the Replacement Information Memorandum and section E(1) on pages 2 to 3 of the First Supplemental Information Memorandum

The information on “Board of Directors” is hereby deleted in its entirety and replaced with the following:

The list of board of directors are available on the Manager’s website, <https://www.kenangainvestors.com.my/board-of-directors>.

14. Amendment to section 8.2 – Key Management Staff in “Chapter 8 – The Fund Management Company” on pages 26 to 28 of the Replacement Information Memorandum and section E(2) on pages 3 to 4 of the First Supplemental Information Memorandum

The information on “Key Management Staff” is hereby deleted in its entirety.

15. Amendment to section 8.3 – The Fund Management Company’s Track Record and Experience in “Chapter 8 – The Fund Management Company” on page 28 of the Replacement Information Memorandum

The information on “The Fund Management Company’s Track Record and Experience” is hereby deleted in its entirety.

16. Amendment to section 8.4 – Summary of Financial Position for the Last 3 Years (Audited) in “Chapter 8 – The Fund Management Company” on page 28 of the Replacement Information Memorandum

The information on “Summary of Financial Position for the Last 3 Years (Audited)” is hereby deleted in its entirety.

17. Amendment to section 8.6 – Material Litigation and Arbitration in “Chapter 8 – The Fund Management Company” on pages 28 to 29 of the Replacement Information Memorandum

The information on “Material Litigation and Arbitration” is hereby deleted in its entirety and replaced with the following:

As at 1 January 2024, the Manager is not engaged in any litigation or arbitration proceedings, either as plaintiff or defendant which has a material effect on its financial position, and the board of directors is not aware of any proceedings pending or threatened, or of any fact likely to give rise to any such proceedings which might materially and adversely affect the position or business of the Manager.

THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM IS DATED 28 FEBRUARY 2024 AND MUST BE READ TOGETHER WITH THE REPLACEMENT INFORMATION MEMORANDUM DATED 8 JUNE 2013 AND THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 31 MARCH 2015.

18. Amendment to section 8.7 – Investment Committee Members in “Chapter 8 – The Fund Management Company” on page 29 of the Replacement Information Memorandum and Section E(3) on page 4 of the First Supplemental Information Memorandum

The information on “Investment Committee Members” is hereby deleted in its entirety.

19. Amendment to section 8.8 – Investment Management Team in “Chapter 8 – The Fund Management Company” on pages 29 to 30 of the Replacement Information Memorandum and Section E(4) on page 5 of the First Supplemental Information Memorandum

The information on “Investment Management Team” is hereby deleted in its entirety and replaced with the following:

The investment management team is responsible to actively manage the Fund in accordance with the investment objective of the Fund and the provision of the Deed. The investment management team will have discretionary authority over the investment of the Fund subject to the rules and guidelines issued by the relevant authorities.

The **designated fund manager responsible for the fund management of the Fund** is KIB’s Chief Investment Officer, Ms. Lee Sook Yee, who heads the investment management team and is assisted by a team of investment management professionals.

The profile of Ms. Lee Sook Yee is available on the Manager’s website at <https://www.kenangainvestors.com.my/lee-sook-yee>.

20. Amendment to “Chapter 9 – Trustee” on pages 31 to 32 of the Replacement Information Memorandum

The information on “Trustee” is hereby deleted in its entirety and replaced with the following:

9.1 Corporate Profile

CIMB Commerce Trustee Berhad was incorporated on 25 August 1994 and registered as a trust company under the Trust Companies Act, 1949 and having its registered office at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral 50470, Kuala Lumpur, Malaysia. The Trustee is qualified to act as a trustee for collective investment schemes approved under the CMSA.

CIMB Commerce Trustee Berhad has been involved in unit trust industry as trustee since 1996. It acts as trustee to various unit trust funds, real estate investment trust, wholesale funds, private retirement schemes and exchange-traded funds.

THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM IS DATED 28 FEBRUARY 2024 AND MUST BE READ TOGETHER WITH THE REPLACEMENT INFORMATION MEMORANDUM DATED 8 JUNE 2013 AND THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 31 MARCH 2015.

9.2 Duties and Responsibilities of the Trustee

The Trustee's functions, duties and responsibilities are set out in the Deed. The general functions, duties and responsibilities of the Trustee include, but are not limited to, the following:

- (a) take into custody the investments of the Fund and hold the investments in trust for the Unitholders;
- (b) ensure that the Manager operates and administers the Fund in accordance with the provisions of the Deed, the Guidelines and acceptable business practice within the fund management industry;
- (c) as soon as practicable notify the SC of any irregularity or breach of the provisions of the Deed, the Guidelines and any other matters which in the Trustee's opinion, may indicate that the interests of Unitholders are not served;
- (d) exercise reasonable diligence in carrying out its functions and duties, actively monitoring the operation and management of the Fund by the Manager to safeguard the interests of Unitholders;
- (e) maintain or cause the Manager to maintain, proper accounting records and other records as are necessary to enable a complete and accurate view of the Fund to be formed and to ensure that the Fund is operated and managed in accordance with the Deed, this Replacement Information Memorandum, the Guidelines and securities law; and
- (f) require that the accounts of the Fund to be audited at least annually.

The Trustee has covenanted in the Deed that it will exercise all due diligence and vigilance in carrying out its functions and duties, and in safeguarding the rights and interests of Unitholders.

9.3 Material Litigation and Arbitration

As at 31 December 2023, CIMB Commerce Trustee Berhad is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee or any of its delegates.

9.4 Trustee's Delegate

CIMB Commerce Trustee Berhad has delegated its custodian function to CIMB Bank Berhad ("CIMB Bank"). CIMB Bank's ultimate holding company is CIMB Group Holdings Berhad, a listed company on Bursa Malaysia Securities Berhad. CIMB Bank provides full-fledged custodial services, typically clearing, settlement and safekeeping of all types of investment assets and classes, to a cross section of investors and intermediaries client base, both locally and overseas.

For the local Ringgit Malaysia assets, they are held through its wholly owned nominee subsidiary "CIMB Group Nominees (Tempatan) Sdn Bhd". For foreign non-Ringgit Malaysia assets, CIMB Bank appoints global custodian as its agent bank to clear, settle and safekeep on its behalf and to its order.

All investments are automatically registered in the name of the custodian to the order of the Trustee. CIMB Bank acts only in accordance with instructions from the Trustee.

THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM IS DATED 28 FEBRUARY 2024 AND MUST BE READ TOGETHER WITH THE REPLACEMENT INFORMATION MEMORANDUM DATED 8 JUNE 2013 AND THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 31 MARCH 2015.

21. Amendment to section 12.4 – Periodic Reports in “Chapter 12 – Additional Information” on page 37 of the Replacement Information Memorandum

- (i) The information on “Periodic Reports” is hereby deleted in its entirety and replaced with the following:

12.4 Periodic Reports

Unitholders will receive the following statements and reports in a financial year:

- (a) monthly statements of account which shows the balance of the Unitholders’ investments and all transactions made during the month, distribution details and investment value;
 - (b) quarterly reports containing information of the Fund, a report on the Fund’s performance and financial statements for the accounting period. The quarterly reports will be dispatched to all Unitholders within two (2) months from the close of each financial quarter; and
 - (c) annual report containing information of the Fund, a report on the Fund’s performance, audited financial statements for the accounting period and auditor’s report. The annual report will be dispatched to all Unitholders within two (2) months from the close of the financial year of the Fund.
- (ii) The following information is hereby inserted immediately after section 12.4 - Periodic Reports:

12.5 Disputes

If you have any monetary dispute or are dissatisfied with the outcome of the internal dispute resolution process, you may refer the case to the Securities Industry Dispute Resolution Center (“SIDREC”) within 180 days from the date of our last response.

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