

INFORMATION MEMORANDUM

THIS REPLACEMENT INFORMATION MEMORANDUM IS DATED 8 JUNE 2013

KENANGA PRINCIPAL PROTECTED INCOME II FUND

(formerly known as ING PRINCIPAL PROTECTED INCOME II)
This fund was constituted on 29 October 2008

This document is a replacement information memorandum in respect of the Kenanga Principal Protected Income II Fund (formerly known as ING Principal Protected Income II) dated 8 June 2013 which replaces and supersedes the information memorandum in respect of the ING Principal Protected Income II 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

OSK Trustees Berhad (573019-U)

EXCLUSIVE DISTRIBUTOR

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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 "RISK FACTORS" COMMENCING ON PAGE 12.

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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 distributor</i>	Citibank Berhad as an Institutional Unit Trust Adviser (IUTA).
<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, the Act</i>	Capital Markets and Services Act 2007 and any amendments made thereto.
<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 29 October 2008 • Supplementary Deed dated 14 May 2009 • Second Supplemental Deed dated 23 May 2013
<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>Guidelines</i>	Refers to Guidelines on Wholesale Funds.
<i>Fund Management Company, KIB, or we</i>	Refers to Kenanga Investors Berhad.
<i>MARC</i>	Refers to Malaysian Rating Corporation Berhad.
<i>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 II Fund is benchmarked against the overnight rate obtainable from www.maybank2u.com.my .
<i>Qualified investors</i>	Refers to:- - 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; - An individual who has a gross annual income exceeding RM300,000 or its equivalent in foreign currencies per annum in the preceding 12 months; - 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; - A corporation with total net assets exceeding RM10 million or its equivalent in foreign currencies based on the last audited accounts;

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- (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>	RAM Holdings Berhad
<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>SC</i>	The Securities Commission Malaysia.
<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>Switching of units</i>	Refers to switching of units from one fund to another fund under the same Unitholder's account.
<i>The Fund</i>	Refers to the Kenanga Principal Protected Income II Fund.
<i>Trustee</i>	OSK Trustees Berhad (573018-U).
<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.

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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
Tel: 03-2162 1490 Fax: 03-2161 4990

Business Office:

Suite 12.02, 12th Floor,
Kenanga International,
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel: 03 2057 3688 / 03-2713 3188
Fax: 03-2161 4990/ 03 2713 5868
Website: www.KenangaInvestors.com.my
Email: info.trust@kenanga.com.my

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:

OSK Trustees Berhad (573019-U)

Registered Office:

Level 10, Tower One,
RHB Centre, Jalan Tun Razak,
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Tel: 03-9287 8888
Fax: 03-9280 6507

Business Address:

6th Floor, Plaza OSK,
Jalan Ampang
50450 Kuala Lumpur
Tel: 03 -9207 7777
Fax: 03-2175 3288
Website: www.osktrustees.com.my
Email: oskt_hq-corptrustop@my.oskgroup.com

Trustee's Delegate (as Custodian)

Citibank Berhad (297089-M)

Level 45 Menara Citibank
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50450 Kuala Lumpur, Malaysia
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Fax No: (6) 03 2383 3000

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Auditor

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Taxation Adviser

Ernst & Young Tax Consultants Sdn. Bhd. (179793-K)
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Independent Legal Adviser

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50200 Kuala Lumpur
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Federation of Investment Managers Malaysia

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Principal Banker

Citibank Berhad (297089-M)
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Level 45 Menara Citibank
165 Jalan Ampang
50450 Kuala Lumpur, Malaysia

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3. KEY DATA OF KENANGA PRINCIPAL PROTECTED INCOME II FUND

3.1 GENERAL INFORMATION

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

Trustee: OSK Trustees Berhad (573019-U)

Key information of Kenanga Principal Protected Income II Fund:

		More details on section(s)
Brief description	Kenanga Principal Protected Income II Fund is an open ended wholesale money market fund which aims to provide: 1) Steady stream of income; 2) Capital preservation; 3) Enhanced returns and yields; 4) Liquidity and convenience	5
Fund Management Company	Kenanga Investors Berhad	11
Category / type	Wholesale money market/Income	13
Investment objective of the Fund	The Fund aims to provide investors a regular stream of income from the short-term money market returns by placing its funds in bank placements and deposits. 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 in bank placements and deposits. 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 rate environment and to actively seek out the best rates available for the Fund.	5.3.3
Asset allocation	Bank placements and deposits: 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 23 April 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 Fund	Low	-
Investor eligibility	Only Qualified investors may subscribe to the units offered under this Replacement Information Memorandum.	1
Investors' profile	This Fund is suitable for Qualified investors who: • Desire a steady stream of income; • 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.	-

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Suggested minimum investment timeframe	1 month	
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.	5.3.2
Approved fund size	1 billion units	-
Financial year-end	30 April	-

* The Fund Management Company and the Trustee will ensure that the investment objective of the Fund is adhered to, and any material changes to any of the Fund's investment objective will require Unitholders' approval.

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 II Fund.

			More details on section(s)
Entry fee	Distribution channel	Maximum entry fee	6.1, 6.2, 6.3, 7.2
	Institutional unit trust advisers (IUTA s)	Nil	
Redemption charge	Distribution channel	Maximum entry fee	6.3.2
	Institutional unit trust advisers (IUTA s)	Nil	
Switching fee	Switching facility is not available for the Kenanga Principal Protected Income II Fund.		-
Transfer fee	Transfer facility is not available for the Kenanga Principal Protected Income II Fund.		-

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

		More details on section(s)
Annual management fee	Up to 0.50% p.a. of NAV of the Fund This fee is calculated and accrued daily and payable monthly to the Fund Management Company.	6.4.1
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.	6.4.2
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	-

3.3 TRANSACTIONS

		More details on section(s)
Entry price	NAV per unit	-
Minimum initial investment	RM5,000,000 or such amounts as we may from time to time decide.	-
Minimum additional investment	RM1,000,000 or such amounts as we may from time to time decide.	-

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Minimum redemption	1,000,000 units or such amounts as we may from time to time decide.	-
Minimum holdings	1,000,000 units or such amounts as we may from time to time decide.	-
Frequency of investment / redemption	No limit.	-
Period of payment of redemption proceeds	Same Business day after the redemption request is received by the Fund Management Company at or before 4.00p.m. on a Business day.	7.3
Cooling-off period	Within 6 Business days from the date your application is received and accepted by the Fund Management Company.	7.4
Income distribution policy	Income will be paid daily on a best effort basis, if any. Income paid (if any) will be reinvested into the Fund.	5.3.5
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.	-

- There are fees and charges involved and investors are advised to consider them before investing in the Fund.
- Unit prices and distributions payable, if any, may go down as well as up.
- Past performance of the Fund is not an indication of its future performance.
- For information concerning certain risk factors which should be considered by prospective investors, see “risk factors” commencing on page 12.

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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

Unit trust 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 unit trust fund may jeopardize the investment of each investor.

Credit risk

A unit trust 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 funds 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 II FUND

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 not being 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 NAV 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 II FUND

5.1 WHAT IS KENANGA PRINCIPAL PROTECTED INCOME II FUND?

The Kenanga Principal Protected Income II Fund is an open ended wholesale money market fund which aims to provide Qualified investors a regular stream of income from the short-term money market returns by placing its funds in bank placements and deposits. It is also designed to provide investors 100% capital preservation by placing its funds only at licensed financial institutions having minimum credit rating of A3 (RAM) or A- (MARC).

5.2 WHY INVEST IN KENANGA PRINCIPAL PROTECTED INCOME II FUND?

The Kenanga Principal Protected Income II Fund offers Qualified investors the safety of capital as it holds only bank placements and deposits. As a consequence, the Fund provides a high level of liquidity and ensures that its capital is preserved. In short, the Kenanga Principal Protected Income II Fund provides regular income distribution, capital preservation and enhanced returns and yields as compared to ordinary savings account or fixed deposits. This Fund is targeted at institutions, corporation, and high net worth clients who seek higher yields compared to conventional bank fixed deposits with the added benefit of the liquidity that the Fund provides.

5.3 FUND INFORMATION

5.3.1 Category/type

The Kenanga Principal Protected Income II 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 by placing its funds in bank placements and deposits.

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 in bank placements and deposits. 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 rate environment and to actively seek out the best rates available for the Fund.

5.3.4 Performance benchmark

The Fund is benchmarked against 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 23 April 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 changes of 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. For the Kenanga Principal Protected Income II Fund, distribution of income (if any) will be declared daily and will be reinvested into the Fund at NAV.

5.3.6 Authorized investments of Kenanga Principal Protected Income II Fund

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

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- Placements of deposits with financial institutions;
- 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 II Fund

The Fund is subject to the following investment restrictions and limits:

- The value of the Fund's holding of the fixed income securities of, and the fixed income securities relating to, any single issuer must not exceed 100% of the NAV of the Fund.

5.3.8 Valuation of assets

Cash and deposit-based instruments placed with the financial institutions will be valued each day by reference to the principal value of such investments and the interest or profits accrued thereon for the relevant period.

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.

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 charge 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 charge (if any) would be calculated separately based on your net investment or redemption amount.

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

If you intend to invest into the Fund by issuing a cheque of RM5,000,000.00 to Kenanga Investors Berhad, the breakdown between the investment amount into Kenanga Principal Protected Income II Fund account and the entry fee is as follows:

	RM
Investment into your Kenanga Principal Protected Income Fund II Fund account	5,000,000.00
Entry fee payable (Nil)	0.00
Amount payable to Kenanga Investors Berhad	<u>5,000,000.00</u>

Your account will be allotted the following units:
 $= \text{RM}5,000,000.00 / \text{RM}1.0000 = 5,000,000.00$ 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
(Less): Liabilities	<u>(5,000.00)</u>
NAV before deducting management fee and trustee fee	50,005,000.00
(Less) Management fee for the day (assuming it is at 0.50% per annum)	(685.00)
(Less) Trustee fee for the day (at 0.04% per annum)	<u>(54.80)</u>
NAV	<u>50,004,260.20</u>

If the units in circulation for the Fund at the end of the Business day was 50,000,000, the NAV per unit for the Fund would be RM50,004,260.20 divided by 50,000,000 units to result in RM1.0001 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 II Fund.

6.3.2 Redemption charge

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

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6.4 FEES AND CHARGES INDIRECTLY INCURRED

6.4.1 Annual management fee

The annual management fee for Kenanga Principal Protected Income II Fund is up to 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 RM 100 million (before deducting the management and trustee fee and the annual management fee is 0.50% per annum). The calculation of annual management fee based on total gross NAV of the Kenanga Principal Protected Income II 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 of Kenanga Principal Protected Income II 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

6.5.1 Charges paid by you as an investor

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.

6.6 THE EXPENSES OF KENANGA PRINCIPAL PROTECTED INCOME II 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 auditors & reporting accountants appointed for the Fund;
- 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;
- Cost incurred for any meetings of the Unitholders other than those convened by, or for the benefit of the Fund Management Company or Trustee; and
- Where the Fund Management Company and the Trustee deem fit, fees and other expenses incurred by the investment committee appointed for the Fund.

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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. When you request to purchase or redeem units today, it will be carried out at the NAV per unit of the Fund at the end of each Business day. 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.

7.2 INVESTING INTO KENANGA PRINCIPAL PROTECTED INCOME II FUND

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 the Fund Management Company. The entry fee (if any) is charged separately. Units are created upon receipt of cheque payment together with completed application form.

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 RM5,000,000.00 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 II Fund account	5,000,000.00
Entry fee payable (Nil)	0.00
Amount payable to Kenanga Investors Berhad	<u>5,000,000.00</u>

7.3 REDEEMING FROM KENANGA PRINCIPAL PROTECTED INCOME II 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 the Fund Management Company. The payment of the redemption shall be effected on the same Business day after the redemption request is received by us at or before 4.00p.m. on a Business day.

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

Please note that the example below is for illustration only:

If you redeem 1,000,000.00 units from your Kenanga Principal Protected Income II Fund account and assuming the NAV price per unit of the Fund is RM1.0000, you will receive redemption proceeds totaling:

	RM
1,000,000.00 units x RM1.0000	1,000,000.00
Redemption charge (Nil)	0.00
Net redemption proceed	<u>1,000,000.00</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.

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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 unit trust 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	5,000,000.00
Add entry fee (Nil)	0.00
Total refund as per your cooling-off right	<u>5,000,000.00</u>

Therefore, if you decide to exercise the cooling-off right, we will refund your total initial payment amount of RM5,000,000.00.

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8. SALIENT TERMS OF THE DEED

8.1 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. Any income earned by the Fund will be reflected in the NAV per unit of the Fund;
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 of the Fund;
6. To receive quarterly reports and monthly statement of account.

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

8.2 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.

8.3 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 NAV 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 NAV 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.

8.4 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 of 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;

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- Costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- 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.

8.5 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.

8.6 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 CMSA;
- (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 CMSA;
- (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.

8.7 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.

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8.8 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.

8.9 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 provisions of the CMSA 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 interim reports or may decide otherwise after consulting with the auditors and the SC.

8.10 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. A meeting may be called to consider the most recent financial statements of the Fund, to change the investment objective of the Fund or to consider any other matters relating to the Deed.

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 1 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 which requires a special resolution is 5 Unitholders, holding in aggregate at least 25% of the Units in issue 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 in person or by proxy must hold in aggregate at least 25% of the Units in circulation at the time of the meeting.

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9. CONFLICT OF INTEREST

9.1 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.

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10. YOUR INVESTMENT PORTFOLIO

10.1 KEEPING TRACK OF YOUR INVESTMENT

You can:

- Check the current value of your investments by calling Citibank Berhad at 603 2383 2640 or 603 2383 2617.

10.2 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.

10.3 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.

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11. THE FUND MANAGEMENT COMPANY

11.1 BOARD OF DIRECTORS

The Board of Directors takes an active part in the affairs of the Fund Management Company and the unit trust funds 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.

11.2 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 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.

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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 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.

11.3 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 90 experienced personnel (80 executives, and 15 non-executives).

11.4 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

11.5 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;

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- (c) Issuing the Fund's interim and annual reports to Unitholders;
- (d) Keeping proper records of the Fund; and
- (e) Keeping Unitholders informed on material matters relating to the Fund.

11.6 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.

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.

11.7 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.

11.8 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.

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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.

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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12. TRUSTEE

TRUSTEE: OSK TRUSTEES BERHAD

12.1 BACKGROUND OF THE TRUSTEE

OSK Trustees Berhad was incorporated in Malaysia under the Companies Act, 1965 on 6 March 2002. It is registered as a trust company under the Trust Companies Act, 1949 and is also registered with the SC to conduct unit trust business. The principal activity of OSK Trustees Berhad is providing retail and corporate trustee services. OSK Trustees Berhad has been in the trustee business since 2002.

The present authorised share capital of OSK Trustees Berhad is RM25,000,000 comprising 2,500,000 ordinary shares of RM10.00 each, of which 1,200,000 are currently issued and credited as partially paid-up of RM5.00 each in OSK Trustees Berhad. The shareholders are as follows:

Shareholders	%
RHB Capital Berhad	20
RHB Investment Bank Berhad	20
OSK Nominees (Tempatan) Sdn. Berhad	20
OSK Nominees (Asing) Sdn. Berhad	20
OSK Futures And Options Sdn. Berhad	20

12.2 FINANCIAL POSITION OF THE TRUSTEE

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

	Financial Year Ended 31 December		
	2010 (RM)	2011 (RM)	2012 (RM)
Paid-up capital	6,000,000	6,000,000	6,000,000
Shareholders' funds	5,266,851	5,657,431	7,075,336
Turnover	6,029,432	6,625,528	7,566,249
Profit before taxation	465,288	475,479	1,924,026
Profit after taxation	606,623	390,580	1,417,905

12.3 EXPERIENCE IN TRUSTEE BUSINESS

OSK Trustees Berhad undertakes all types of trustee business allowed under the Trust Companies Act, 1949, ranging from corporate trustee services to retail services. OSK Trustees Berhad offers corporate trustee services such as trustee for real estate investment trusts (REITs), unit trust funds, private retirement schemes, private debt securities and custodian services. Its retail services include estate planning services (will writing, custodian and executor/trustee services) and private trustee services (private purpose trust, investment trust, charitable trust, insurance trust, business succession trust, estate administration trust, custodian and stakeholder services).

As of 30 May 2013, OSK Trustees Berhad is the trustee for seven (7) unit trust funds, eleven (11) wholesale funds and three (3) REITs.

As of 30 May 2013, OSK Trustees Berhad's staff strength comprises 41 executives and 5 non-executive staff.

12.4 DUTIES AND RESPONSIBILITIES OF THE TRUSTEE

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

- (a) Acting as trustee and safeguarding the rights and interests of the Unitholders;
- (b) Holding the assets of the Fund for the benefit of the Unitholders; and

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- (c) Exercising all the powers of a trustee and the powers that are incidental to the ownership of the assets of the Fund.

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.

12.5 THE BOARD OF DIRECTORS

The following table sets out information regarding the Board of Directors of the Trustee:-

Name	Directorship
Foo San Kan	Independent Non-Executive Director
Woo Lai Mei	Non-Independent Executive Director
Dato' Nik Mohamed Din bin Datuk Nik Yusoff	Non-Independent Non-Executive Director
Woon Chong Boon	Non-Independent Non-Executive Director
Haron Bin Datuk Tamby Chik	Independent Non-Executive Director

12.6 KEY PERSONNEL

Woo Lai Mei, Director

Ms Woo holds a Bachelor of Laws (Honours) from The University of Buckingham (UK) and is a Barrister-of-Law of Lincoln's Inn. She was admitted as an advocate and solicitor of the Supreme Court of Singapore in 1989 and was in private practice at leading law firms in Singapore including M/s Lee and Lee and M/s Rajah & Tann, since her admission until 2000. Ms Woo had also served as a Director of Practice Standards and Special Projects with the Law Society of Singapore for 2 years. She was admitted as an advocate and solicitor of the High Court of Malaya in 2001 and was in the practice of M/s Zul Rafique & Partners and M/s Raja Darryl and Loh, before joining the OSK Group of Companies as Associate Director, Group Corporate and Legal Affairs in 2005. Prior to joining OSK Trustees Berhad, she headed the OSK Group's legal team which provides legal counsel and general corporate advisory to the Board of Directors and the Group's subsidiaries (both local and regional) and its business and support units. She is currently the Executive Director/Chief Operating Officer of OSK Trustees Berhad and Executive Director of Malaysian Trustees Berhad.

Yap Kuan Yee, Senior Vice President, Head of Unit Trust

Ms Yap joined OSK Trustees Berhad in November 2011. She is a Fellow Member of the Association of Chartered Certified Accountants and a member of the Malaysian Institute of Accountants. She has more than 15 years of experience handling finance & operations matters in the financial services industry, specifically in banking, fund management, unit trust & futures broking. Her primary responsibility at OSK Trustees is to lead and manage the Unit Trust's operations and administration.

Sazali Alias, Vice President, Compliance/Internal Process

Mr. Sazali holds a Bachelor of Arts in Business Administration (Marketing) from Benedictine College, Kansas, USA, and Diploma in Business Studies from University MARA Institute of Technology (UiTM). He has 12 years experience in financial services industries encompassing hands on experience in day to day operations of nominees, trusteeship services such as unit trust funds, clubs, real estate investment trust and private debt securities. He was a Compliance Manager with AmTrustee Berhad (AmTB). Prior to AmTB, he was an Assistant Vice President in ABB Trustee Berhad (ABBT) and headed ABBT's Finance & Operations Units. He is currently with OSK Trustees Berhad, and his scope of work includes compliance and business process flow of the Company.

12.7 TRUSTEE'S STATEMENT OF RESPONSIBILITY

OSK Trustees Berhad has given its willingness to assume the position as Trustee of the Fund and all the obligations in accordance with the Deed, the Guidelines, securities laws and other relevant law, and also its willingness to provide indemnity to the Fund Management Company for the benefit of the Unitholders of the Fund for any loss incurred as a result of any non-performance of the Trustee.

12.8 TRUSTEE'S DECLARATION

OSK Trustees Berhad is independent of the Fund Management Company. The Trustee will carry out transactions on an arm's length basis and on terms which are best available to the Fund, as well as act at all times in the best

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interest of the Unitholders. The Trustee also has adequate procedures and processes in place to prevent or control conflicts of interest.

OSK Trustees Berhad's Board of Directors declare that the requirements of the guidelines on allowing a person to be appointed or to act as trustee under subsection 290(1) of the Capital Markets and Services Act 2007 have been complied with at the point of application.

12.9 TRUSTEE'S DELEGATE

The Trustee has appointed Citibank Berhad as the custodian of the quoted and unquoted, local and foreign investments of the Fund. The custodian has been providing custody services to domestic and foreign, retail and institutional investors since 1985. The custody services provided by the custodian include clearing and settlement, safekeeping, corporate events monitoring and processing, income collection, reporting on securities and cash transactions and positions. All investments are registered in the name of the custodian or its nominee for the account of the Fund. The custodian acts only in accordance with the instructions of its principal, OSK Trustees Berhad.

12.10 LITIGATION AND ARBITRATION

As at 30 May 2013, OSK Trustees Berhad is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any fact likely to give rise to any proceedings which might materially affect the business or financial position of OSK Trustees Berhad or any of its delegate.

12.11 ANTI MONEY LAUNDERING PROVISIONS

OSK Trustees Berhad adopts the Group's Guidelines on KYC ('the Guidelines') in dealing with the principles to combat money laundering and terrorism financing.

The Guidelines provide guidance to all employees of OSK Trustees Berhad to know their clients, whereby they shall obtain satisfactory evidence of the clients' identity, and have effective procedures for verifying the genuineness of clients.

These procedures are documented to enable the Trustee to obtain satisfactorily evidence of its clients' identity and to prevent OSK Trustees Berhad from being used as a place to hold illegal funds for money laundering purposes. This includes the prevention and detection of money laundering or fraud, and reporting of such suspected activities to the appropriate authorities.

12.12 DISCLOSURE ON RELATED-PARTY TRANSACTIONS/CONFLICT OF INTERESTS

There are no existing and/or proposed related party transactions involving or in connection with the Fund.

Should there be any proposed related party transaction(s) entered into by the Trustee, such transaction(s) will be on terms that are no less favourable to the Fund, neither will it be detrimental to the interest of the Unitholders.

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 II FUND.

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

Manager:
Kenanga Investors Berhad (353563-P)

Trustee:
**RHB Trustees Berhad (formerly known as OSK Trustees Berhad)
(573019-U)**

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 II 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 II 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)

- (i) The definition of "Deed" is hereby deleted and replaced with the following:

<i>Deed</i>	• Deed dated 29 October 2008 • Supplementary Deed dated 14 May 2009 • Second Supplemental Deed dated 23 March 2013 • Third Supplemental Deed dated 25 March 2015
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B. CHANGES TO CHAPTER 2 – CORPORATE DIRECTORY
(page 7 of the Information Memorandum)

(1) BOARD OF DIRECTORS

Information pertaining to the board of directors is hereby deleted in its entirety and replaced 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 replaced 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 II FUND.

C. CHANGES TO CHAPTER 3 – KEY DATA OF KENANGA PRINCIPAL PROTECTED INCOME II FUND (page 10 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 16 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 11 – THE FUND MANAGEMENT COMPANY

(1) SECTION 11.1 – 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 II 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 11.2 – 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 II 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 11.7 – 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 11.8 – AMENDMENT TO THE INVESTMENT MANAGEMENT TEAM
(page 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 II FUND**

Manager:

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

Trustee:

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

This Second Supplemental Information Memorandum is dated 28 February 2024.

Date of constitution of the Fund: 29 October 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 II 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 II 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 ("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 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 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 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 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 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 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 Information Memorandum or the conduct of any other person in relation to the Fund.

THIS FIRST 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 Information Memorandum

The references to “Fund Management Company” and “Qualified investor(s)” wherever they appear in the 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 Information Memorandum

- (i) The definitions of “Authorised distributor”, “Collection Centre” and “Collective Investment Scheme” 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 “NAV”:

<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 definition of “Qualified investors” is hereby deleted in its entirety and replaced with the following:

<i>Sophisticated Investor(s)</i>	Means: (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.
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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.

- (v) The following definition of “RM or MYR” is hereby inserted immediately after the definition of “Redemption price”:

RM or MYR Means Ringgit Malaysia, the lawful currency of Malaysia.

- (vi) The definitions of “Trustee” and “Unitholder” are hereby deleted in their entirety and replaced with the following:

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

Unitholder A Sophisticated Investor for the time being registered as the holder of units in the Fund, including a jointholder.

- (vii) The following information is hereby inserted immediately after the definition of “Unitholder”:

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 8 of the 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

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.

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

- (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 **RHB Trustees Berhad**
(Registration No.: 200201005356 (573019-U))
Registered Office: Level 10, Tower One,
RHB Centre
Jalan Tun Razak
50400 Kuala Lumpur
Telephone number: 03-9287 8888
Facsimile number: 03-9280 6507

Business Address: Level 11 Tower Three,
RHB Centre
Jalan Tun Razak
50400 Kuala Lumpur
Telephone number: 03-9280 5933
Facsimile number: 03-9280 5934
Email Address: rhbtrustees@rhbgroup.com
Website: www.rhbgroup.com

- (v) The information on “Trustee’s Delegate (as Custodian)” is hereby deleted in its entirety and replaced with the following:

Name **Standard Chartered Bank Malaysia Berhad**
(Registration No.: 198401003274 (115793-P))
Address: Level 25, Equatorial Plaza
Jalan Sultan Ismail
50250 Kuala Lumpur
Telephone number: 03-7661 8236
Facsimile number: 03-7682 0628

- (vi) The information on “Independent Legal Adviser” 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.

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

Name	Federation of Investment Managers Malaysia
Address:	19-06-1, 6 th Floor Wisma Tune, 19, Lorong Dungun Damansara Heights 50490 Kuala Lumpur
Telephone number:	03-7890 4242
Email Address:	info@fimm.com.my

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

4. Amendment to section 3.1 – General Information in “Chapter 3 – Key Data of Kenanga Principal Protected Income II Fund” on page 10 of the 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 II” on page 10 of the 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 II Fund” on page 11 of the 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
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.	-

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.

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>.

(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 15 of the 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			
	Investment amount	RM	10,000.00
Add:	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:			
	Investment amount	RM	10,000.00
Divide:	NAV per unit	RM	1.0000
	Number of units invested		10,000.00 units

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

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.

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.

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 16 of the 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 II Fund in “Chapter 7 – Transaction Information” on page 18 of the Information Memorandum

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

10. Amendment to section 7.3 – Redeeming from Kenanga Principal Protected Income II Fund in “Chapter 7 – Transaction Information” on page 18 of the Information Memorandum

The information on “Redeeming from Kenanga Principal Protected Income II 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.

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.

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 19 of the Information Memorandum

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

12. Amendment to section 10.1 – Keeping Track of Your Investment in “Chapter 10 – Your Investment Portfolio” on page 24 of the Information Memorandum

The information on “Keeping Track of Your Investment” is hereby deleted in its entirety and replaced with the following:

If you want to know the latest prices of the units, please contact the Manager directly or refer to the Manager’s website at www.kenangainvestors.com.my.

13. Amendment to section 10.3 – Periodic Reports in “Chapter 10 – Your Investment Portfolio” on page 24 of the Information Memorandum

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

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.

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.

14. Amendment to “Chapter 10 – Your Investment Portfolio” on page 24 of the Information Memorandum

The following information is hereby inserted immediately after section 10.3 - Periodic Reports:

10.4 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.

15. Amendment to “Chapter 11 – The Fund Management Company” on page 25 of the Information Memorandum

The following information is hereby inserted at the beginning of “Chapter 11 – 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.

16. Amendment to section 11.1 – Board of Directors in “Chapter 11 – The Fund Management Company” on pages 25 to 26 of the 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>.

17. Amendment to section 11.2 – Key Management Staff in “Chapter 11 – The Fund Management Company” on pages 26 to 28 of the 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.

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 11.3 – The Fund Management Company’s Track Record and Experience in “Chapter 11 – The Fund Management Company” on page 28 of the Information Memorandum

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

19. Amendment to section 11.4 – Summary of Financial Position for the Last 3 Years (Audited) in “Chapter 11 – The Fund Management Company” on page 28 of the Information Memorandum

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

20. Amendment to section 11.6 – Material Litigation and Arbitration in “Chapter 11 – The Fund Management Company” on page 29 of the 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.

21. Amendment to section 11.7 – Investment Committee Members in “Chapter 11 – The Fund Management Company” on page 29 of the 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.

22. Amendment to section 11.8 – Investment Management Team in “Chapter 11 – The Fund Management Company” on pages 29 to 30 of the 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.

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.

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

23. Amendment to "Chapter 12 – Trustee" on pages 31 to 33 of the Information Memorandum

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

12.1 Corporate Profile of the Trustee

RHB Trustees Berhad ("RHB Trustees") was incorporated in Malaysia under the Companies Act 1965 (now known as the Companies Act 2016) on 6 March 2002. It is registered as a trust company under the Trust Companies Act 1949 and is also registered with the SC to conduct unit trust business. The principal activity of RHB Trustees is providing retail and corporate trustee services. RHB Trustees has been in the trustee business since 2002.

12.2 Roles, Duties and Responsibilities of the Trustee

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

- (a) acting as trustee and safeguarding the rights and interests of the Unitholders;
- (b) holding the assets of the Fund for the benefit of the Unitholders; and
- (c) exercising all the powers of a trustee and the powers that are incidental to the ownership of the assets of the Fund.

RHB Trustees 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.

12.3 Litigation and Arbitration

As at 1 January 2024, RHB Trustees is not engaged in any material litigation or arbitration, including those pending or threatened, and is not aware of any fact likely to give rise to any proceedings which might materially affect its business or financial position.

12.4 Trustee's Declaration

RHB Trustees is independent of the Manager. RHB Trustees will carry out transactions on an arm's length basis and on terms which are best available to the Fund, as well as act at all times in the best interest of the Unitholders. RHB Trustees also has adequate procedures and processes in place to prevent or control conflicts of interest.

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.

12.5 The Trustee's Delegate

RHB Trustees has appointed Standard Chartered Bank Malaysia Berhad ("SCBMB") as custodian of the quoted and unquoted investments of the Fund. The assets are held in the name of the Fund through the custodian's wholly owned subsidiary and nominee company, Cartaban Nominees (Tempatan) Sdn Bhd. The assets are also automatically registered into the name of the Fund. SCBMB was incorporated on 29 February 1984 in Malaysia under the Companies Act 1965 (now known as Companies Act 2016) as a public company and is a direct subsidiary of Standard Chartered Bank (Singapore) Limited and an indirect subsidiary of Standard Chartered PLC (the holding company of a global banking group). SCBMB was granted a license on 1 July 1994 under the Banking and Financial Institutions Act 1989 (now known as the Financial Services Act 2013). SCBMB has been providing custody services for more than 30 years and has been providing sub-custody services to local investors in Malaysia since 1995. The custodian acts only in accordance with instructions from the Trustee.

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