



**Manulife**  
Investments

## **Prospectus**

# Manulife Shariah Dynamic Leaders Fund

### **Manager**

Manulife Investment Management (M) Berhad  
200801033087 (834424-U)

### **Trustee**

HSBC (Malaysia) Trustee Berhad  
193701000084 (1281-T)

This Prospectus for Manulife Shariah  
Dynamic Leaders Fund is dated 15 July 2025.

Manulife Shariah Dynamic Leaders Fund was constituted on  
9 April 2025.

### **IMPORTANT NOTES:**

INVESTORS ARE ADVISED TO READ AND UNDERSTAND  
THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT,  
PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING CERTAIN RISK  
FACTORS WHICH SHOULD BE CONSIDERED BY  
PROSPECTIVE INVESTORS, SEE "RISK FACTORS"  
COMMENCING ON PAGE 10.





# RESPONSIBILITY STATEMENTS AND STATEMENTS OF DISCLAIMER

## RESPONSIBILITY STATEMENTS

This Prospectus has been reviewed and approved by the directors of Manulife Investment Management (M) Berhad and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in this Prospectus false or misleading.

## STATEMENTS OF DISCLAIMER

The Securities Commission Malaysia has authorised the Manulife Shariah Dynamic Leaders Fund ("Fund") and a copy of this Prospectus has been registered with the Securities Commission Malaysia.

The authorisation of the Fund, and registration of this Prospectus, should not be taken to indicate that the Securities Commission Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Prospectus.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Manulife Investment Management (M) Berhad, the management company responsible for the Fund and takes no responsibility for the contents in this Prospectus. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Prospectus, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

**INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF INVESTORS ARE UNABLE TO MAKE THEIR OWN EVALUATION, THEY ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS.**

## ADDITIONAL STATEMENTS

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

Manulife Shariah Dynamic Leaders Fund has been certified as Shariah-compliant by the Shariah adviser appointed for the Fund.

Please note that the Fund is not offered for sale to any U.S. person. If you are a non-Malaysian, your subscription may be restricted by your local law or regulation. Please observe and comply with such local restrictions, if any. If in doubt, please consult a professional adviser.

# TABLE OF CONTENTS

<b>TABLE OF CONTENTS .....</b>	<b>2</b>
<b>DEFINITION .....</b>	<b>4</b>
<b>CORPORATE DIRECTORY .....</b>	<b>7</b>
<b>1 THE FUND .....</b>	<b>8</b>
1.1 Fund Information .....	8
1.2 Risk Factors .....	10
1.2.1 General Risks of Investing in the Fund .....	10
1.2.2 Specific Risks of the Fund .....	11
1.2.3 Risk Management Strategy .....	13
1.3 Other Information .....	14
1.4 Shariah Investment Guidelines, Cleansing Process and Zakat (tithe) for the Fund 17	
<b>2 FEES, CHARGES AND EXPENSES .....</b>	<b>21</b>
2.1 Charges Directly Incurred .....	21
2.1.1 Sales Charge .....	21
2.1.2 Redemption Charge .....	21
2.1.3 Transfer Fee .....	22
2.1.4 Switching Fee .....	22
2.1.5 Policy on Rounding Adjustment .....	22
2.2 Fees Indirectly Incurred .....	22
2.2.1 Annual Management Fee .....	22
2.2.2 Annual Trustee Fee .....	23
2.3 Expenses .....	23
2.4 Others .....	24
<b>3 TRANSACTION INFORMATION .....</b>	<b>25</b>
3.1 Determination of Prices .....	25
3.1.1 Valuation Basis .....	25
3.1.2 Valuation Point .....	26
3.1.3 Pricing Policy .....	26
3.2 Computation of NAV and NAV per Unit .....	28
3.3 Information on Purchasing and Redeeming Units .....	29
3.3.1 Opening an Account and Making an Investment .....	29
3.3.2 Processing of Application .....	30
3.3.3 Cooling-Off .....	30
3.3.4 Redeeming an Investment .....	30
3.3.5 Switching .....	31
3.3.6 Transfer .....	31
3.4 Distribution Payment .....	32
3.5 Suspension of Dealing in Units .....	32
3.6 Policy and Procedures on Unclaimed Monies .....	33
<b>4 THE MANAGEMENT COMPANY .....</b>	<b>34</b>
4.1 Corporate Information .....	34
4.2 Role of the Manager .....	34
4.3 Role and Functions of the Board of Directors .....	34
4.4 Fund Management Function .....	35
4.5 Litigation and Arbitration .....	35
4.6 Other Information .....	35
<b>5 THE FUND MANAGERS .....</b>	<b>36</b>
5.1 Litigation and Arbitration .....	36
<b>6 THE TRUSTEE .....</b>	<b>37</b>
6.1 Duties and Responsibilities of the Trustee .....	37

6.2	Trustee's Delegate .....	37
6.3	Anti-Money Laundering and Anti-Terrorism Financing Provisions.....	38
6.4	Related Party Transactions/Conflict of Interest .....	38
6.5	Statement of Responsibility .....	39
6.6	Statement of Disclaimer .....	39
6.7	Consent to Disclosure.....	39
6.8	Material Litigation.....	39
<b>7</b>	<b>SHARIAH ADVISER .....</b>	<b>40</b>
7.1	General Information of the Shariah Adviser.....	40
7.2	ROLES AND RESPONSIBILITIES of the Shariah Adviser .....	40
7.3	Profile of the Shariah Team .....	40
<b>8</b>	<b>SALIENT TERMS OF THE DEED .....</b>	<b>41</b>
8.1	Rights and Liabilities of Unit Holders.....	41
8.1.1	Rights of Unit Holders .....	41
8.1.2	Liabilities of Unit Holders .....	41
8.2	Maximum Fees and Charges Permitted by the Deed .....	41
8.2.1	Direct Fees and Charges.....	41
8.2.2	Indirect Fees and Charges .....	42
8.3	Permitted Expenses Payable out of the Fund .....	42
8.4	Removal, Replacement and Retirement of the Manager.....	43
8.5	Removal, Replacement and Retirement of the Trustee.....	44
8.6	The Fund and/or its Class(es).....	44
8.7	PROCEDURE FOR THE TERMINATION OF THE FUND AND/OR ITS CLASS(ES) ..	45
8.8	Unit Holders' Meeting .....	46
<b>9</b>	<b>RELATED-PARTY TRANSACTIONS AND CONFLICT OF INTEREST .....</b>	<b>48</b>
9.1	Advisers .....	48
9.2	Cross Trade.....	49
<b>10</b>	<b>TAXATION OF THE FUND .....</b>	<b>50</b>
<b>11</b>	<b>STATEMENT OF CONSENT .....</b>	<b>60</b>
<b>12</b>	<b>ADDITIONAL INFORMATION .....</b>	<b>61</b>
12.1	Anti-Money Laundering Policies and Procedures.....	61
<b>13</b>	<b>DOCUMENTS AVAILABLE FOR INSPECTION .....</b>	<b>62</b>
	<b>DISTRIBUTION CHANNEL AND OFFICES .....</b>	<b>63</b>

# DEFINITION

<b>Act or CMSA</b>	means the <i>Capital Markets and Services Act 2007</i> as may be amended from time to time.								
<b>Base Currency</b>	means the base currency of the Fund, i.e. USD.								
<b>BNM</b>	means Bank Negara Malaysia.								
<b>Business Day</b>	means a day on which Bursa Malaysia is open for business. Note: The Manager may declare certain Business Days to be non-business days if: (i) the markets in which the Fund is invested therein are closed for business; (ii) it is not a business day in the country of domicile of the Fund Managers; or (iii) it is not a business day of the Base Currency.								
<b>CIS</b>	means collective investment scheme.								
<b>Class(es)</b>	means Class(es) that are offered for subscription by the Fund as follows: <table><tr><th>Name of the Class</th><th>Description</th></tr><tr><td>A (RM-Hedged) Class</td><td>Denominated in RM and aims to reduce the effect of exchange rate fluctuations between RM and the Base Currency.</td></tr><tr><td>A (RM) Class</td><td>Denominated in RM.</td></tr><tr><td>A (USD) Class</td><td>Denominated in USD.</td></tr></table> <p>The Fund is allowed to establish new Class(es) from time to time.</p>	Name of the Class	Description	A (RM-Hedged) Class	Denominated in RM and aims to reduce the effect of exchange rate fluctuations between RM and the Base Currency.	A (RM) Class	Denominated in RM.	A (USD) Class	Denominated in USD.
Name of the Class	Description								
A (RM-Hedged) Class	Denominated in RM and aims to reduce the effect of exchange rate fluctuations between RM and the Base Currency.								
A (RM) Class	Denominated in RM.								
A (USD) Class	Denominated in USD.								
<b>Deed</b>	means the deed dated 14 April 2022, the first supplemental master deed dated 15 June 2023, the second supplemental master deed dated 6 July 2023, the third supplemental master deed dated 19 March 2024, the fourth supplemental master deed dated 9 April 2025 and subsequent supplemental deeds (if any) entered into between the Manager and the Trustee in relation to the Fund.								
<b>Eligible Market</b>	means an exchange, government securities market or an OTC market: (a) that is regulated by a regulatory authority of that jurisdiction; (b) that is open to the public or to a substantial number of market participants; and (c) on which financial instruments are regularly traded.								
<b>FiMM</b>	means Federation of Investment Managers Malaysia.								
<b>financial institution(s)</b>	if the institution is in Malaysia: i) licensed bank as defined in the Financial Services Act 2013 ("FSA"); ii) licensed investment bank as defined in the FSA; or iii) licensed Islamic bank as defined in the Islamic Financial Services Act 2013 ("IFSA").  if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.								
<b>Fund</b>	refers to the Manulife Shariah Dynamic Leaders Fund.								
<b>Fund Managers</b>	refers to Manulife Investment Management (US) LLC and Manulife Investment Management Limited.								

<b>Guidelines</b>	refers to the Guidelines on Unit Trust Funds issued by the SC as may be amended from time to time.
<b>HSBC Group</b>	refers to HSBC Holdings plc, its subsidiaries, related bodies corporate, associated entities and undertakings and any of their branches.
<b>Initial Offer Period</b>	means the period during which Units are offered for sale at the Initial Offer Price.
<b>Initial Offer Price</b>	means a fixed price per Unit payable by an applicant for the purchase of Units during the Initial Offer Period.
<b>IUTAs</b>	means Institutional Unit Trust Scheme Advisers, corporations registered and authorised by FiMM to market and distribute unit trust schemes.
<b>latest practicable date or LPD</b>	as at 31 March 2025 being the latest practicable date for the purposes of ascertaining certain information deemed relevant and current as at the issuance date of this Prospectus.
<b>Launch Date</b>	means the date on which sale of Units of the Fund was first made.
<b>long-term</b>	means a period of more than five (5) years.
<b>Manager</b>	refers to Manulife Investment Management (M) Berhad.
<b>NAV</b>	means the net asset value of the Fund which 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; where the Fund has more than one Class, there shall be a NAV of the Fund attributable to each Class.
<b>NAV per Unit</b>	means the NAV of the Fund divided by the total number of Units in circulation at the valuation point; where the Fund has more than one Class, there shall be a NAV per Unit for each Class; the NAV per Unit of a Class at a particular valuation point shall be the NAV of the Fund attributable to that Class divided by the number of Units in circulation for that Class at the same valuation point.
<b>OTC</b>	means over-the-counter.
<b>Prospectus</b>	refers to the Fund's prospectus dated 23 July 2025 including any other supplemental prospectus issued subsequently.
<b>RM</b>	means the Ringgit Malaysia, the lawful currency of Malaysia.
<b>SACSC</b>	refers to the Shariah Advisory Council of the SC.
<b>SC</b>	means the Securities Commission Malaysia.
<b>Shariah</b>	means Islamic law comprising the whole body of rulings pertaining to human conducts derived from sources of Shariah.
<b>Shariah Adviser</b>	refers to ZICO Shariah Advisory Services Sdn Bhd, the Shariah adviser for the Fund and its successors-in-title.
<b>Shariah requirements</b>	is a phrase or expression which generally means making sure that any human conduct must not involve any elements which are prohibited by the Shariah and that in performing that conduct, all the essential elements that make up the conduct must be present and each essential element must meet all the necessary conditions required by the Shariah for that element.

<b>Special Resolution</b>	means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority of not less than three-fourths (3/4) of the Unit Holders present and voting at the meeting in person or by proxy; for the avoidance of doubt, “three-fourths (3/4) of the Unit Holders present and voting in person or by proxy” means three-fourths (3/4) of the votes cast by the Unit Holders present and voting; for the purposes of terminating the Fund or a Class, “Special Resolution” means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority in number representing at least three-fourths (3/4) of the value of the Units held by the Unit Holders present and voting at the meeting in person or by proxy.
<b>Trustee</b>	refers to HSBC (Malaysia) Trustee Berhad.
<b>Unit(s)</b>	means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the right or interest of a Unit Holder in the Fund and means a Unit of the Fund; if the Fund has more than one Class, it means a Unit issued for each Class.
<b>Unit Holder(s) or you</b>	refers to an investor registered pursuant to the Deed as the holder of Units including persons jointly registered.
<b>U.S.</b>	means the United States of America.
<b>USD</b>	means the U.S. Dollar, the lawful currency of the U.S.
<b>U.S. Person</b>	means (i) any U.S. citizen or permanent resident; (ii) any entity organized under U.S. law or any jurisdiction within the U.S. (including foreign branches); or (iii) any person physically present in the U.S., regardless of nationality; or (iv) a trust if (a) a court within the U.S. would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (b) one or more U.S. persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the U.S.  Source: U.S. Executive Order 13959 & Malaysia-U.S. IGA Guidance Notes dated 11 September 2015 on Compliance Requirements for Malaysia-U.S. Intergovernmental Agreement on Foreign Account Tax Compliance Act (FATCA).
<b>UTCs</b>	means Unit Trust Consultants, individuals registered with FIMM and authorised to market and distribute unit trust schemes.



# CORPORATE DIRECTORY

## THE MANAGER

### **Manulife Investment Management (M) Berhad**

200801033087 (834424-U)

#### ***Registered Office***

16th Floor, Menara Manulife  
No. 6, Jalan Gelenggang  
Damansara Heights  
50490 Kuala Lumpur.  
Tel : 03-2719 9228

#### ***Business Address***

13th Floor, Menara Manulife  
No. 6, Jalan Gelenggang  
Damansara Heights  
50490 Kuala Lumpur.  
Tel : 03-2719 9228  
Fax : 03-2094 7654  
Customer Service Hotline: 03-2719 9271  
Email : [MY\\_CustomerService@manulife.com](mailto:MY_CustomerService@manulife.com)  
Website : [www.manulifeim.com.my](http://www.manulifeim.com.my)

## THE TRUSTEE

### **HSBC (Malaysia) Trustee Berhad**

193701000084 (1281-T)

#### ***Registered Office and Business Address***

Level 19, Menara IQ  
Lingkaran TRX  
55188 Tun Razak Exchange  
Kuala Lumpur.  
Tel : 03-2075 7800  
Fax : 03-8894 2611  
Email : [fs.client.services.myh@hsbc.com.my](mailto:fs.client.services.myh@hsbc.com.my)

## THE SHARIAH ADVISER

### **ZICO Shariah Advisory Services Sdn Bhd**

200701011429 (769433-D)

#### ***Registered Office and Business Address***

Level 13A, Menara Milenium  
Jalan Damanlela  
Pusat Bandar Damansara  
50490 Kuala Lumpur.  
Tel : 03-9212 0976  
Fax : 03-9212 0974  
Email : [zh-shariah@zishariah.com](mailto:zh-shariah@zishariah.com)  
Website: [www.zico.group](http://www.zico.group)

Please refer to page 63 for a list of our Distribution Channel and Offices.

**Investors may obtain updated contact information (i.e. address and telephone number of registered office and business office address, e-mail address (if any) and website address (if any)) and further information on the Manager, Trustee, Shariah Adviser and its delegates from our website at <https://www.manulifeim.com.my/about-us/corporate-profile.html>.**

# 1 THE FUND

## 1.1 FUND INFORMATION

<b>Name of the Fund</b>	Manulife Shariah Dynamic Leaders Fund.
<b>Fund Category</b>	Equity (Shariah-compliant).
<b>Base Currency</b>	USD.
<b>Investment Objective</b>	<p>The Fund aims to achieve capital appreciation by investing in a portfolio of Shariah-compliant equities and Shariah-compliant equity-related securities globally.</p> <p><i>Note: Any material change to the Fund's investment objective would require Unit Holders' approval.</i></p>
<b>Investment Policy and Strategy</b>	<p>The Fund aims to achieve capital appreciation by investing in Shariah-compliant equities and Shariah-compliant equity-related securities globally.</p> <p>The Fund will invest at least 80% of its NAV in a portfolio of Shariah-compliant equities and Shariah-compliant equity-related securities of large capitalisation companies globally (including in emerging markets). These companies are often market leaders in the industry and have the potential to generate long term capital appreciation as they are exposed to strong secular, stable or cyclical growth trends. Key characteristics of these companies include strong brands, high profitability, sound balance sheets, and consistent financial performance in metrics. The remaining NAV of the Fund will be held in cash and/or be invested in Islamic money market instruments and/or placement in general investment accounts and/or Islamic deposits. The Fund may invest in Islamic CIS which is limited to Islamic money market funds for liquidity purposes.</p> <p>The Fund employs both qualitative and quantitative analysis in identifying potential companies for investment. In doing so, the Fund Managers adopt a bottom-up approach which relies on fundamentals research – the fundamentals are assessed from a broad range of criteria including the company's growth and value profile, its cash-flow generation ability, and its management.</p> <p>The Fund is not subject to any limitation on the portion of its NAV that may be invested in any one country or sector. The Fund's investments may be denominated in any currency.</p> <p>In times of extreme market volatility or during severe adverse market conditions, the Fund may temporarily hold a substantial portion (up to 30%) of its assets in cash and/or Islamic money market instruments and/or placement in general investment accounts and/or Islamic deposits for the preservation of the value of the assets in the Fund's investment portfolio.</p> <p>The Fund pursues an actively managed investment strategy and uses the MSCI ACWI Islamic Index as a benchmark for performance comparison purposes.</p>

<b>Asset Allocation</b>	<ul style="list-style-type: none"> <li>At least 80% of the Fund's NAV will be invested in Shariah-compliant equities and Shariah-compliant equity-related securities; and</li> <li>The remaining NAV of the Fund will be held in cash and/or be invested in Islamic money market instruments and/or placement in general investment accounts and/or Islamic deposits for liquidity purposes.</li> </ul>		
<b>Performance Benchmark</b>	<p>MSCI ACWI Islamic Index</p> <p><i>Note: The performance benchmark above is only used as a reference for investment performance comparison purpose. The risk profile of the Fund is not the same as the risk profile of this performance benchmark. The performance benchmark information is available at <a href="http://www.manulifeim.com.my">www.manulifeim.com.my</a>.</i></p>		
<b>Distribution Policy</b>	<p><u>A (RM-Hedged) Class, A (RM) Class and A (USD) Class</u></p> <p>These Classes do not aim to distribute income. Distribution of income, if any, is incidental.</p>		
<b>Investor Profile</b>	<p>The Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>seek capital appreciation;</li> <li>prefer Shariah-compliant investment;</li> <li>have a long-term investment horizon; and</li> <li>wish to seek investment exposure through a diversified portfolio of Shariah-compliant equities globally.</li> </ul>		
<b>Class</b>	<p>A (RM-Hedged) Class, A (RM) Class and A (USD) Class</p> <p><i>Note: The Fund is established as a multi-class fund. Hence, the Manager may offer additional Class(es) from time to time at its absolute discretion by way of a supplemental or replacement prospectus without the prior consent from Unit Holders. Please refer to page 41 of Salient Terms of the Deed for further details.</i></p>		
<b>Launch Date</b>	23 July 2025		
<b>Initial Offer Period</b>	<p>Twenty-one (21) days from 23 July 2025 to 12 August 2025 or such other shorter period as may be determined by the Manager. The Manager may shorten the Initial Offer Period if the Manager is of the view that it is timely to commence the investment of the Fund, e.g., to enable it to purchase assets for the Fund due to market conditions.</p> <p><i>During the Initial Offer Period, the Manager may place the subscription amount collected in the Fund in Islamic deposits with financial institution(s). The accrued profit earned from the placement of Islamic deposits will be reflected in the NAV per Unit.</i></p>		
<b>Initial Offer Price</b>	<b>A (RM-Hedged) Class</b>	<b>A (RM) Class</b>	<b>A (USD) Class</b>
	RM 0.5000	RM 0.5000	USD 0.5000
<p><i>If the Fund/Class(es) has no subscription during the Initial Offer Period, the Initial Offer Price will be used for the first subscription into the Fund/Class(es) after the Initial Offer Period.</i></p>			

*The Fund/Class may be terminated without obtaining Unit Holders' approval in the event the Fund/Class size is small, i.e. NAV is less than RM20 million or such other amount as the Manager and the Trustee may jointly deem it to be uneconomical for the Manager to continue managing the Fund/Class, provided that it is also in the best interest of the Unit Holders to terminate the Fund/Class.*

## **1.2 RISK FACTORS**

### **1.2.1 General Risks of Investing in the Fund**

#### **Market Risk**

Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the Fund's NAV.

#### **Manager Risk**

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

#### **Liquidity Risk**

Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the Fund holds assets that are illiquid, or are difficult to dispose of, the value of the Fund and investments of the Unit Holders will be negatively affected when it has to sell such assets at unfavourable prices.

#### **Suspension/Deferment of Redemption Risk**

The Manager may, in consultation with the Trustee and having considered the interests of Unit Holders, suspend the dealings in Units of the Fund or a particular Class, as stipulated under Section 3.5 Suspension of Dealing in Units. No application will be dealt with when a suspension of dealing in Units is triggered and this will limit the Unit Holders' right to freely redeem their Units in the Fund or a particular Class. Where a suspension of dealing in Units is triggered and if a redemption application is received and has been accepted by the Manager before the suspension period, the Fund may defer such redemption application until the suspension is lifted.

For the purpose of liquidity risk management, the Fund may defer redemption to the next Business Day if the total net redemption received is more than 10% of the NAV of the Fund on a particular Business Day. When such redemption limit is effected, it may jeopardise the Fund's ability to meet Unit Holder's redemption request and may lead to a delay in repayment of redemption proceeds to Unit Holders. Unit Holders who are impacted by the deferment of redemption are subject to the risks inherent to the Fund until the redemption request is processed.

The Manager will inform all Unit Holders in a timely and appropriate manner of the decision to suspend the dealings in Units of the Fund or defer redemption as mentioned above. Please refer to Section 3.3.4 Redeeming an Investment for the timeline for payment of redemption proceeds.

#### **Loan/Financing Risk**

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

Please note that loan/financing is discouraged.

## **1.2.2 Specific Risks of the Fund**

### **Stock Specific Risk**

Prices of a particular Shariah-compliant stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such Shariah-compliant stock will adversely affect the Fund's NAV.

### **Country Risk**

Investments of the Fund may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the laws or regulations of the countries in which the Fund invests in. For example, the deteriorating economic condition of a country may adversely affect the value of the investments undertaken by the Fund. This in turn may cause the NAV of the Fund or prices of Units to fall.

### **Currency Risk**

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

You should also be aware that currency risk is applicable to Class(es) which is in a different currency than the Base Currency. The impact of the exchange rate movement between the Base Currency and the currency denomination of the respective Class(es) may result in a depreciation of the value of your holdings.

As for a hedged Class, the Class itself provides mitigation to the currency risk arising from the difference between the currency denomination of the Class and the Base Currency. For this purpose, the Fund performs currency hedging for hedged Class(es) of the Fund, using currency forward contracts on a monthly rollover basis to passively hedge against currency risk. While the Manager aims to fully hedge the currency risk for a hedged Class, you should note that it may not entirely eliminate currency risk. Hence the unhedged portion of the hedged Class will be affected by the exchange rate and it may cause fluctuation of NAV of the respective hedged Class.

In addition, you should note that as a result of hedging, a hedged Class will not be able to enjoy the full benefits of the currency movement in the event of a favourable movement of the currency denomination of the hedged Class against the Base Currency. You should also note that hedging incurs costs, in which will impact the NAV of a hedged Class.

### **Fund Managers Risk**

The Manager has no control over the investment techniques and knowledge, operational controls and management of the Fund by the Fund Managers. In the event the Fund is mismanaged by the Fund Managers, the NAV of the Fund would be affected negatively. Should such a situation arise, the Manager may replace the Fund Managers.

### **Risk associated with investing in Islamic CIS**

The management company of the Islamic CIS, which the Fund may invest into, has absolute discretion over the Islamic CIS's investment technique, operational controls and management. In the event of mismanagement of the Islamic CIS by the management company of the Islamic CIS, the Fund's NAV would be affected negatively. Should such a situation arise, the Fund Managers will seek for another Islamic CIS.

## **Risk considerations for investing in Islamic derivatives and Shariah-compliant warrants**

The Fund Managers may use Islamic derivatives such as Islamic swap, Islamic forward and Islamic futures, to hedge against certain risks such as adverse movements in currency exchange rates. This involves special risks, including but not limited to the risk of loss from default by the counterparty, typically as a consequence of insolvency or failed settlement.

The Fund Managers will only enter into hedging transactions where the counterparty is a financial institution with a minimum long-term credit rating of investment grade (including gradation and subcategories) rated by any domestic or global rating agency. In the event where the counterparty's or issuer's rating falls below the minimum required rating or it ceases to be rated, the Fund Managers will liquidate its position within six (6) months or sooner, unless the Trustee considers it to be in the best interest of the Unit Holders to do otherwise.

To mitigate the risk, all Islamic derivatives will be closely monitored or efforts will be taken to unwind such positions if there is material adverse change to the counterparty or issuer.

The Fund may purchase Shariah-compliant warrants and may also hold Shariah-compliant warrants which arise from the Fund's holdings in Shariah-compliant equities and such Shariah-compliant warrants are limited to those which can be converted into new shares. A Shariah-compliant warrant gives the Fund the right but not the obligation to subscribe to the underlying Shariah-compliant securities of the issuing company at a pre-determined price (exercise price), quantity and expiry period. It will expire and its value will diminish if it is not exercised by the expiration date or it is out-of-the-money (the exercise price is higher than the current market price of the underlying Shariah-compliant securities). Prices of Shariah-compliant warrants are extremely volatile and it may not always be possible to dispose all in a short period of time.

## **Taxation Risk**

Certain income and/or capital gains of the Fund may be subject to withholding and/or income tax, and any such taxes will reduce the return on the investments held by the Fund. The Fund may make tax provisions in respect of income and/or capital gains received from its foreign investments. The tax laws, regulations and practices are constantly changing, and they may be changed with retrospective effect. The interpretation and applicability of the tax laws and regulations by tax authorities may not be consistent and transparent. In this connection, the Fund may be subject to additional taxation that is not anticipated as at the date of this Prospectus or when the relevant investments are made, valued or disposed of. Such taxes will reduce the return on the investments of the Fund.

In addition, the Fund (through the Manager or its agents) may need to receive certain information from an investor for it to avoid certain withholding taxes. In particular, the Foreign Account Tax Compliance Act (FATCA) adopted in the U.S. will require the Fund (or the Manager) to obtain certain identifying information about its investors and potentially provide that information to the United States Internal Revenue Service. Subject to certain transition rules, investors that fail to provide the Manager or its agents with the requisite information will be subject to a 30% withholding tax on distributions to them and on proceeds from any sale or disposition or caused the entire Fund to be subject to a 30% withholding tax on income receivable on proceeds from any sales or disposition of the Fund. In addition, Units held by such investors may be subject to compulsory redemption.

Investors should seek their own tax advice on their tax position with regards to their investment in the Fund.

### **Reclassification of Shariah Status Risk**

This is the risk that the currently held Shariah-compliant investments in the portfolio of the Fund may be reclassified to be Shariah non-compliant in the periodic review of the investments by the SACSC or the Shariah Adviser or the Shariah boards of the relevant Islamic indices and/or Shariah screening tool subscribed by the Manager. If this occurs, the Fund Managers will take the necessary steps to dispose of such investments. There may be opportunity loss to the Fund due to the Fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant investments. The value of the Fund may also be affected in the event of a disposal of Shariah non-compliant investments at a price lower than the investment cost.

### **Shariah non-compliance risk**

This refers to the risk of the Fund not conforming to Shariah Investment Guidelines due to investment in Shariah non-compliant instrument. In the event that the Manager is required to rectify any Shariah non-compliance by disposing the related instrument, any losses from disposal due to investment in Shariah non-compliant instrument will be borne by the Manager. In any circumstances, gain received from disposal shall be channeled to baitulmal and/or charitable bodies as advised by the Shariah Adviser.

**IT IS IMPORTANT TO NOTE THAT THE ABOVE LIST OF RISKS MAY NOT BE EXHAUSTIVE. THE FUND MAY BE EXPOSED TO OTHER RISKS OF AN EXCEPTIONAL NATURE FROM TIME TO TIME.**

### **1.2.3 Risk Management Strategy**

If the investment climate is unfavourable or the equity is not promising, the Fund Managers may sell its investment in Shariah-compliant securities and reduce the Fund's total Shariah-compliant equities exposure. This strategy will minimise the potential loss which may arise when Shariah-compliant securities prices decline. The Fund Managers may also diversify the Fund's investments across a range of Shariah-compliant securities to minimise specific (unsystematic) risk exposure to any one company or group of companies. The investments of the Fund are also diversified across a range of sectors/industries to reduce a sector/industry specific risk.

The Fund may employ Islamic derivatives for hedging purposes. The Fund's global exposure from Islamic derivatives must not exceed the Fund's NAV at all times and is calculated using the commitment approach. As part of risk management strategy for the Fund, the commitment approach is applied to limit certain risks such as currency risk of the Fund's portfolio and the calculation method is described in Section 1.3 Investment Limits and Restrictions.

The Manager has in place clearly defined policies and procedures and a system for the ongoing monitoring and management of liquidity risk. The Fund Managers invest according to the investment limits and restrictions of the Fund to ensure the percentage of liquid assets is adhered to at all times. The Manager may take reasonable steps to understand the investor base (which includes those of IUTAs which adopt the nominee system of ownership) and analyse the historical redemption patterns of different types of investors for liquidity management. The Manager may also engage with key investors and enforce redemption arrangement for investors above the threshold i.e. advance redemption notice so that the Manager is aware if investors intend to make any large redemption.

As part of liquidity risk management, in the event the total net redemption received for the Fund on a particular Business Day is more than 10% of the NAV of the Fund, the Manager may defer the redemption in excess of such 10% limit to the next Business Day. Such redemption requests are processed on a pro rata basis and will be effected in priority to later requests. The Manager will pay such redemption proceeds on a staggered

manner based on the redemption price, as and when the Fund's investments are liquidated. However, redemptions may be deferred for processing for not more than seven consecutive Business Days after the date of receipt of the redemption request by the Unit Holder, subject to a suspension of dealing in Units as described in Section 3.5. When such redemption limit is imposed on Unit Holders, Unit Holders of the Fund will be given a notice on the deferred redemption not later than eight (8) Business Days. Please refer to Section 3.3.4 Redeeming an Investment for the timeline for payment of redemption proceeds.

In addition, the Fund may borrow cash or obtain financing for the purpose of meeting redemption requests for Units and for short-term bridging requirements. This will incur financial cost to the Fund.

Suspension in redemption of Units can be triggered by the Manager as the last resort after the abovementioned liquidity risk management tools have been exhausted. The Manager may, in consultation with the Trustee and having considered the interests of Unit Holders, suspend redemption of Units due to exceptional circumstances as disclosed under suspension / deferment of redemption risk in Section 1.2.1 General Risks of Investing in the Fund, where there is good and sufficient reason to do so. Redemption application will not be dealt with when suspension of dealing in Units are triggered and this will limit the Unit Holder's right to freely redeem their Units in the Fund.

1.3 OTHER INFORMATION

Permitted Investments	<p>The Fund may invest in the following as long as it is consistent with the Fund's investment objective and are not prohibited by the relevant authorities or any relevant laws:</p> <ul style="list-style-type: none"><li>• Shariah-compliant shares of companies listed for quotation and traded on a stock exchange that is an Eligible Market;</li><li>• Shariah-compliant securities equivalent to shares such as Shariah-compliant warrants, Shariah-compliant American Depositary Receipts and Shariah-compliant Global Depositary Receipts;</li><li>• Shariah-compliant shares that are not listed and quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing and quotation, and are offered directly to the Fund by the issuer;</li><li>• Shariah-compliant securities that are not traded or dealt in or under the rules of an Eligible Market;</li><li>• Islamic money market instruments, general investment accounts and Islamic deposits;</li><li>• Units/shares in Islamic CIS; and</li><li>• Islamic derivatives</li></ul>
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**Investment  
Limits and  
Restrictions**

The investments shall be subject to the following limits or any other limit as may be prescribed by SC from time to time:

- 1) The aggregate value of the Fund's investments in Shariah-compliant transferable securities that are not traded or dealt in or under the rules of an Eligible Market must not exceed 15% of the Fund's NAV, subject to a maximum limit of 10% of the Fund's NAV in a single issuer;
- 2) The value of the Fund's investments in Shariah-compliant ordinary shares issued by any single issuer must not exceed 10% of the Fund's NAV;
- 3) The value of the Fund's investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV ("single issuer limit"). In determining the single issuer limit, the value of the Fund's investments in instruments in paragraph (1) issued by the same issuer must be included in the calculation;
- 4) The value of the Fund's placement in Islamic deposits with any single financial institution must not exceed 20% of the Fund's NAV;
- 5) The single financial institution limit in paragraph (4) does not apply to placements of Islamic deposits arising from:
  - (i) Subscription monies received prior to the commencement of investment by the Fund;
  - (ii) Liquidation of investments prior to the termination of the Fund, where the placement of Islamic deposits with various financial institutions would not be in the best interests of Unit Holders; or
  - (iii) Monies held for the settlement of redemption or other payment obligations, where the placement of Islamic deposits with various financial institutions would not be in the best interest of Unit Holders;
- (6) The aggregate value of the Fund's investments in, or exposure to, a single issuer through Shariah-compliant transferable securities, Islamic money market instruments, Islamic deposits, underlying assets of Islamic derivatives and counterparty exposure arising from the use of OTC Islamic derivatives must not exceed 25% of the Fund's NAV ("single issuer aggregate limit"). In determining the single issuer aggregate limit, the value of the Fund's investments in instruments in paragraph (1) issued by the same issuer must be included in the calculation;
- (7) The value of the Fund's investments in units or shares of any Islamic CIS must not exceed 20% of the Fund's NAV, provided that the Islamic CIS complies with the requirements stipulated in the Guidelines;
- (8) The value of the Fund's investments in units or shares of any Islamic CIS that invests in real estate pursuant to the requirements stipulated in the Guidelines must not exceed 15% of the Fund's NAV;
- (9) The value of the Fund's investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV ("group limit"). In determining the group limit, the value of the Fund's

- investments in instruments in paragraph (1) issued by the issuers within the same group of companies must be included in the calculation;
- (10) The Fund's investments in Shariah-compliant shares or Shariah-compliant securities equivalent to shares must not exceed 10% of the Shariah-compliant shares or Shariah-compliant securities equivalent to shares, as the case may be, issued by a single issuer;
  - (11) The Fund's investments in Islamic money market instruments must not exceed 10% of the instruments issued by any single issuer. This limit does not apply to Islamic money market instruments that do not have a pre-determined issue size;
  - (12) The Fund's investments in Islamic CIS must not exceed 25% of the units or shares in the Islamic CIS;
  - (13) For investment in Islamic derivatives:
    - (i) the Fund's global exposure from Islamic derivatives must not exceed the Fund's NAV at all times and is calculated using the commitment approach. The global exposure of the Fund using commitment approach is calculated as the sum of the –
      - (a) absolute value of the exposure of each individual Islamic derivative not involved in netting or hedging arrangements;
      - (b) absolute value of the net exposure of each individual Islamic derivative after netting or hedging arrangements; and
      - (c) values of cash collateral received pursuant to the reduction of exposure to counterparties of OTC Islamic derivatives;
    - (ii) the exposure to the underlying assets of the Islamic derivatives must not exceed the investment restrictions or limitations applicable to such underlying assets and investments as stipulated in the Guidelines;
    - (iii) the counterparty of an OTC Islamic derivative must be a financial institution with a minimum long-term credit rating of investment grade (including gradation and subcategories) and subject to the aggregate limit as described in this section, the maximum exposure of the Fund to the counterparty, calculated based on the below method must not exceed 10% of the Fund's NAV:
      - (a) The exposure to a counterparty of an OTC Islamic derivative must be measured based on the maximum potential loss that may be incurred by the Fund if the counterparty defaults and not on the basis of the notional value of the OTC Islamic derivative.
      - (b) The total exposure to a single counterparty is calculated by summing the exposure arising from all OTC Islamic derivative transaction entered into with the same counterparty.

The investment limits and restrictions must be complied with at all times based on the most up-to-date value of the Fund's assets.

	<p>The Manager must notify the SC, within seven (7) Business Days, of any breach of investment limits and restrictions with the steps taken to rectify and prevent such breach from recurring. However, any breach as a result of any:</p> <ul style="list-style-type: none"> <li>(a) appreciation or depreciation in value of the Fund's investments;</li> <li>(b) repurchase of Units or payment made out of the Fund;</li> <li>(c) change in capital of a corporation in which the Fund has invested in; or</li> <li>(d) downgrade in or cessation of a credit rating,</li> </ul> <p>need not be reported to the SC but must be rectified as soon as practicable within three (3) months from the date of the breach unless otherwise specified in the Guidelines. The three (3)-month period may be extended if it is in the best interest of Unit Holders and the Trustee's consent is obtained. Such extension must be subject to at least a monthly review by the Trustee.</p>
<b>Shariah-compliant Borrowing and Securities Lending</b>	<p>Unless otherwise allowed by the SC or by any relevant law, and subject to such terms and conditions as the SC or any relevant law may prescribe, and to the extent practicable, the Fund is not permitted to obtain financing to finance its activities or to grant or guarantee any financings or enter into a contract to purchase investments when it does not have the necessary funds to pay for the purchase.</p>
<b>Financial Year End</b>	<p>31 July.</p>
<b>List of Deeds</b>	<p>The deed dated 14 April 2022, the first supplemental master deed dated 15 June 2023, the second supplemental master deed dated 6 July 2023, the third supplemental master deed dated 19 March 2024, the fourth supplemental master deed dated 9 April 2025 and subsequent supplemental deeds (if any) entered into between the Manager and the Trustee in relation to the Fund.</p>

## 1.4 SHARIAH INVESTMENT GUIDELINES, CLEANSING PROCESS AND ZAKAT (TITHE) FOR THE FUND

### Shariah-compliant equities

The Fund's investments in Shariah-compliant equities that are not traded or dealt in the domestic and foreign markets will be selected in accordance with the equities classified as Shariah-compliant by the Shariah Adviser. For Shariah-compliant equities to be reviewed by the Shariah Adviser, the Fund Managers will first identify the Shariah-compliant equities which fulfil their investment criteria. All the relevant documents with the latest information pertaining to the business activities, financial statements and other related information will be submitted to the Shariah Adviser for Shariah stock screening process which involves both quantitative and qualitative analysis.

For domestic listed Shariah-compliant equities including initial public offering, reference is made to the List of Shariah-Compliant securities issued by the SACSC on a half-yearly basis and/or the list of Shariah Status for Companies Seeking Listing on Bursa Malaysia Securities Berhad. For Shariah-compliant equities that are not traded or dealt in the domestic market, the Shariah Adviser applies the 2-tier quantitative approach based on the business activity and financial ratio benchmarks in determining the Shariah status of the equities.

For business activity benchmarks, the contribution of the following Shariah non-compliant activities to the group revenue or group profit before taxation of the company must be less than 5%:

- conventional banking and lending;
- conventional insurance;
- gambling;
- liquor and liquor-related activities;
- pork and pork-related activities;
- non-halal food and beverage (F&B) including F&B without halal certification;
- tobacco, cigarette, electronic cigarettes and their activities and products;
- interest income from conventional accounts and instruments (including interest income awarded arising from a court judgement or arbitrator, late payment charges and penalty charges) ;
- dividends from Shariah non-compliant investments;
- Shariah non-compliant entertainment; and
- other activities deemed non-compliant according to Shariah principles as determined by the SACSC.

The contribution of the following activities to the group revenue or group profit before taxation of the company must be less than 20%:

- share trading;
- stockbroking business;
- cinema;
- rental received from Shariah non-compliant activities; and
- other activities deemed non-compliant according to Shariah principles as determined by the SACSC.

For financial ratio benchmark, the Shariah Adviser will determine if the financial ratios (i.e. debt and cash ratio against the total assets is less than 33%) of the Shariah-compliant equities, comply with the financial thresholds. The debt will only include interest-bearing debt and the cash include those placed in conventional accounts and instruments.

In addition to the above 2-tier quantitative criteria, the Shariah Adviser also takes into account the qualitative aspect which involves public perception or image of the company's activities from the perspective of Islamic teaching.

For foreign listed Shariah-compliant equities, reference is made to the list of third-party Shariah screening tool and/or approved Islamic indices. For the Fund's investments in listed equities and equities that are not traded or dealt in the foreign markets which are not within the list of third-party Shariah screening tool and/or approved Islamic indices, the Shariah Adviser applies the 2-tier approach which applies the sector-based and accounting-based screens, in determining the Shariah status of the equities.

For sector-based screens, core business activities related to the following will not be appropriate for Islamic investment purpose:

- advertising and media;
- alcohol;
- defense;
- firearms;
- Shariah non-compliant entertainment;
- Shariah non-compliant mortgage, lease and real estate investment trust;
- non-slaughtered animals according to Shariah;

- stem cells;
- cloning;
- conventional banking and insurance;
- gambling;
- pork;
- pornography;
- tobacco; and
- trading of gold and silver as cash on deferred basis.

For accounting-based screen, the Shariah Adviser will determine if the conventional debt and cash ratios, accounts receivable ratio and non-permissible income ratio of the company's financial position comply with the financial thresholds as approved by the third-party Shariah screening tool and/or approved Islamic indices. These benchmarks may vary in accordance with the development of Islamic capital markets and the jurisdiction of the third-party Shariah screening tool and/or approved Islamic indices that are being referred to. Should any of the calculation fail to satisfy the financial benchmark, the Shariah Adviser will not accord Shariah-compliant status for the equities. To ensure strict compliance with Shariah requirements, foreign Shariah-compliant equities which are approved by the Shariah Adviser will be reviewed twice yearly.

### **Shariah-compliant equity-related securities**

For domestic listed Shariah-compliant equity-related securities, reference is made to the list of Shariah-compliant securities issued by the SACSC. For foreign listed Shariah-compliant equity-related securities, reference is made to the list of the third-party Shariah screening tool. The Fund's investments in Shariah-compliant equity-related securities that are not traded or dealt in the domestic and foreign markets will be selected in accordance with the equities classified as Shariah-compliant by the Shariah Adviser.

### **Islamic CIS**

For domestic listed Islamic CIS, reference is made to the list of Islamic Real Estate Investment Trust and list of Islamic Exchange-Traded Fund as per the *Additional List: Other Shariah-Compliant Capital Market Instruments* of the List of Shariah-Compliant Securities by the SACSC issued by the SC on a half-yearly basis while for foreign listed Islamic CIS, reference is made to the list of third-party Shariah screening tool and/or approved Islamic indices on a monthly basis. For domestic and foreign unlisted Islamic CIS, to ensure strict compliance with Shariah requirements, the Shariah Adviser will review the Islamic CIS' prospectus and endorse that it is in compliance with the acceptable Shariah requirements. Should any of the screening fail to satisfy the Shariah requirements, the Shariah Adviser will not accord Shariah-compliant status for the CIS.

### **Islamic derivatives**

The Fund may only use Islamic derivatives approved by the Shariah Adviser for hedging purposes. However, if Islamic derivatives are not available or are not commercially viable, the Fund may use conventional derivatives subject to prior approval from the Shariah Adviser being obtained.

### **Islamic money market instruments**

The Fund can invest in Islamic money market instruments, general investment accounts, Islamic deposits and cash placements, and Islamic liquid assets which are placed with the financial institutions or those that have been approved by the Shariah Advisory Council of BNM.

### **Shariah non-compliant investment**

The Shariah non-compliant investment will be disposed of/withdrawn with immediate effect or within one month of knowing the status of the investment. In the event that the investment resulted in gain (through capital gain and/or dividend and/or interest)

received before or after the disposal of the investment, the gain is to be channelled to *baitulmal* and/or any other charitable bodies as advised by the Shariah Adviser. The Fund has a right to retain only the investment cost. If the disposal of the investment resulted in losses to the Fund, the losses are to be borne by the Manager.

### **Reclassification of Shariah Status of the Fund's Investment**

Shariah-compliant securities which are reclassified to be Shariah non-compliant upon review of the equities by the SACSC, relevant Shariah adviser of third-party Shariah screening tool and/or approved Islamic indices or the Shariah Adviser, will result in the Shariah non-compliant securities being disposed of. If on the effective date of the reclassification, the respective market price of Shariah non-compliant securities exceeds or is equal to the investment cost, such securities must be disposed of. Any dividends received up to the date of the reclassification and capital gain arising from their disposal on the effective date, may be kept. However, any dividends received and excess capital gains derived from the disposal of the Shariah non-compliant securities after the effective date should be deposited into a separate account which is segregated from the Fund's account, for the purpose of purification. The Fund may channel tainted income to *baitulmal* and/or charitable bodies as may be advised by the Shariah Adviser.

On the other hand, the Fund is allowed to hold its investment in the Shariah non-compliant securities if the market price of the said securities is below the investment cost. It is also permissible for the Fund to keep the dividends received during the holding period until such time when the total amount of dividends received and the market value of the Shariah non-compliant securities held equal the investment cost. At this stage, such holding must be disposed of.

### **Zakat (tithe) For the Fund**

The Fund does not pay zakat on behalf of Muslim individuals and Islamic legal entities who are investors of the Fund. Thus, investors are advised to pay zakat by themselves.

**The Shariah Adviser confirms that the investment portfolio of the Manulife Shariah Dynamic Leaders Fund comprises instruments that have been classified as Shariah-compliant. For instruments that are not classified as Shariah-compliant by the SACSC or the Shariah Advisory Council of BNM, they will review and determine the Shariah status of the said instruments in accordance with the ruling issued by the Shariah Adviser.**

## 2 FEES, CHARGES AND EXPENSES

### 2.1 CHARGES DIRECTLY INCURRED

#### 2.1.1 Sales Charge

The sales charge levied on the purchase of Units from each distribution channel is as follows:

Distribution Channels	Sales Charge
IUTA UTC Manager	Up to 5.00% of the NAV per Unit

The sales charge is non-negotiable. However, the Manager may at its discretion charge a lower sales charge from time to time. All charges will be rounded up to two (2) decimal places and will be retained by the Manager.

Note: Investors should note that sales charge levied may vary when you purchase Units from different distributors or the Manager, subject to the maximum sales charge disclosed herein. The difference in sales charge imposed is based on the different levels of services provided.

Please be advised that if you invest in Units through an IUTA which adopts the nominee system of ownership, you will not be considered as a Unit Holder under the Deed and you may consequently not have all the rights ordinarily exercisable by a Unit Holder (including but not limited to the right to call for a Unit Holders' meeting and to vote thereat and the right to have your particulars appearing in the register of Unit Holders of the Fund).

Illustration for A (RM-Hedged) Class: Units are transacted at NAV per Unit of the Class. Assuming you invest RM10,000.00 in the Class at NAV per Unit of RM0.5000 and the sales charge is 5.00% of the NAV per Unit. The total sales charge payable is as follows:

Amount invested by Unit Holder	RM10,000.00
Add: Sales charge incurred @ 5.00% (5.00% x RM10,000)	RM500.00
Total amount paid by Unit Holder	RM10,500.00

The number of Units allocated to you for investment in the Fund is as follow:

Number of Units allocated (RM10,000/RM0.5000) = 20,000.00 Units

#### **Commissions Payable**

The sales and other commissions payable to the licensed sales representatives and/or unit trust advisers of the Manager are not paid from the Fund but from the sales charge and/or management fee retained by the Manager.

#### 2.1.2 Redemption Charge

There is no redemption charge levied on the redemption of Units. Therefore, the redemption price per Unit of the Class is equivalent to its NAV per Unit.

Illustration for A (RM-Hedged) Class: Assuming you wish to redeem 10,000 Units and the NAV per Unit of the Class is RM0.5000. The redemption amount shall be as follows:

Total amount payable to you	= Number of Units to be redeemed x NAV per Unit = 10,000 Units x RM0.5000 = <u>RM5,000.00</u>
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### 2.1.3 Transfer Fee

The transfer fee is applicable to all Classes. Unit Holders are allowed to transfer Units of the Class to another investor subject to a transfer fee of RM3.00 for each request to transfer.

### 2.1.4 Switching Fee

Switching is applicable to all funds managed by the Manager unless stated otherwise. However, please note that switching:

- is not allowed between funds / classes of different currencies;
- made via a distribution channel (e.g. IUTA) is limited to the funds distributed by the respective channel;
- from a retail unit trust fund into a wholesale unit trust fund is not allowed for retail investors; and
- from an Islamic fund to a conventional fund is discouraged especially for Muslim Unit Holders.

The switching fee is the differential in sales charge for any switch into a fund with higher sales charge.

Illustration: Assuming you wish to switch into a fund with a higher sales charge.

Switch from	Switch to	Applicable switching fee
<b>Fund A</b> Sales charge: 3.00% of net asset value per unit of fund/class	<b>Fund B</b> Sales charge: 5.00% of net asset value per unit of fund/class	Differential in sales charge: 5.00% – 3.00% = <u>2.00%</u>

Other than that, the first 6 switches\* made by a Unit Holder (per account) within a calendar year, into a fund with equal or lower sales charge, is free. Subsequent switches into a fund with equal or lower sales charge, will be charged the following switching fee:

Denomination of the Fund/Class	Online Switching	Offline Switching
RM	RM15.00 per switch	RM25.00 per switch
Other currency	Not available	25.00 in the denomination of the respective fund/class

\*including switching between classes of the same fund.

The Manager has the discretion to waive the switching fee.

### 2.1.5 Policy on Rounding Adjustment

In calculating a Unit Holder's investments, the Class's NAV per Unit which is also the selling and buying price per Unit of the Class will be rounded to 4 decimal places. Units allocated to a Unit Holder will be rounded to 2 decimal places.

## 2.2 FEES INDIRECTLY INCURRED

### 2.2.1 Annual Management Fee

Up to 1.85% of the NAV of the Fund per annum calculated and accrued on a daily basis.

Please refer to the Product Highlights Sheet of the Fund which is available on our website at [www.manulifeim.com.my](http://www.manulifeim.com.my) for information on the prevailing annual management fee charged to the Fund and its Classes.



The Manager may, for any reason at any time, waive, or reduce the amount of annual management fee in respect of the Fund, either generally (for all investors) or specifically (for any particular investor) and for any period or periods of time at its absolute discretion. Reduction of annual management fee for eligible investors will be in the form of additional units of the Fund and will be borne by the Manager.

## **2.2.2 Annual Trustee Fee**

0.06% per annum of the NAV of the Fund (including local custodian fees but excluding foreign custodian fees and charges). The fee is calculated and accrued daily, and payable monthly by the Fund to the Trustee.

Note: The annual management fee and annual trustee fee is applicable to all Classes.

Please refer to Section 3.2 Computation of NAV and NAV per Unit on how the annual management fee and annual trustee fee are calculated.

## **2.3 EXPENSES**

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

- (a) commissions or fees paid to brokers or dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- (b) (where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians taking into custody any foreign assets of the Fund;
- (c) taxes and other duties charged on the Fund by the government and/or other authorities (if any) and bank fees;
- (d) costs, fees and expenses properly incurred by the auditor of the Fund and tax agent;
- (e) fees for the valuation of any investment of the Fund;
- (f) costs, fees and expenses incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent;
- (g) costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- (h) costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;
- (i) costs, commissions, fees and expenses of the sale, purchase, takaful and any other dealing of any assets of the Fund;
- (j) costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
- (k) costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund;
- (l) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- (m) costs, fees and expenses incurred in the termination of the Fund or a Class or the retirement or removal of the Trustee or the Manager and the appointment of a new trustee or management company;
- (n) costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund, a Class or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund or a Class (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed out of the Fund);
- (o) expenses and charges incurred in connection with the printing and postage for the annual or semi-annual report, tax certificates, reinvestment statements and other services associated with the administration of the Fund;
- (p) costs and expenses associated with the distributions declared pursuant to the Deed and the payment of such distribution including without limitation fees, costs and/or

expenses for the revalidation or reissuance of any distribution cheque or warrant or telegraphic transfer;

- (q) costs, fees and expenses deemed by the Manager 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;
- (r) remuneration and out of pocket expenses of the person(s) or members of a committee undertaking the oversight function of the Fund, unless the Manager decides otherwise;
- (s) costs of obtaining expert opinion by the Trustee and/or the Manager for the benefit of the Fund or its Class(es); and
- (t) any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred under sub-paragraphs (a) to (s) above.

## **2.4 OTHERS**

### **Policy on Rebates and Soft Commissions**

It is the Manager's policy not to enter into soft dollar arrangements. Exceptions have to be assessed on a case-by-case basis in accordance to the Manager's policy prior to entering into any soft-dollar arrangement. Any rebates/shared commissions should be credited to the account of the Fund concerned.

The Manager may retain soft commissions provided by any brokers or dealers if the soft commissions bring direct benefit or advantage to the management of the Fund. Any dealings with the brokers or dealers are executed on terms which are the most favourable for the Fund and there is no churning of trades.

### **Applicable tax**

All charges and fees (e.g. sales charge, switching fee, transfer fee, management fee, trustee fee and any other relevant fee(s) and/or charge(s)), whichever applicable, may be subject to any tax that may be introduced by the Government of Malaysia from time to time. The Manager, the Trustee and/or other service providers reserve the right to collect from you and/or the Fund an amount equivalent to the prevailing rate of tax payable for all charges and fees, where applicable. The taxes amount, if any, would be collected from the effective date of the taxes. Your obligation to pay any applicable taxes shall form part of the terms and conditions.

Fees and charges disclosed in this Prospectus are exclusive of any taxes.

**THERE ARE FEES AND CHARGES INVOLVED AND INVESTORS ARE ADVISED TO CONSIDER THEM BEFORE INVESTING IN THE FUND.**

## 3 TRANSACTION INFORMATION

### 3.1 DETERMINATION OF PRICES

#### 3.1.1 Valuation Basis

Valuation of the Fund will be carried out by the Manager in accordance with the Guidelines. The valuation basis for the authorised investments of the Fund is as below:

Investment Instruments	Valuation Basis
Quoted/Listed Shariah-compliant Investments/Listed Islamic CIS	<p>Quoted/Listed Shariah-compliant Investments/Listed Islamic CIS are valued at the official closing price or last known transacted price of respective exchange.</p> <p>However, if the price is not representative or not available to the market, such Shariah-compliant investments will be valued at fair value as determined with due care in good faith by the Manager and the basis for determining the fair value of such Shariah-compliant investments is approved by the Trustee after appropriate technical consultation.</p>
Unlisted Shariah-compliant Securities/Unlisted Islamic CIS	<p>Unlisted Shariah-compliant securities are valued at fair value as determined with due care in good faith by the Manager and the basis for determining the fair value of such Shariah-compliant investments is approved by the Trustee after appropriate technical consultation.</p> <p>Unlisted Islamic CIS are valued at fair value based on the last published repurchase price per unit. If the last published repurchase price is unavailable, the price will be determined with due care in good faith by the Manager and the basis for determining the fair value of such investments is approved by the Trustee after appropriate technical consultation.</p>
Islamic Derivatives	Marked-to-market on a daily basis, where possible. Otherwise, the valuation will be based on fair value as determined with due care in good faith by the Manager and the basis for determining the fair value of the investments is approved by the Trustee after appropriate technical consultation.
Islamic Money Market Instruments	<p>Investments in Islamic money market instruments such as Islamic acceptance bills, Islamic negotiable certificate of deposits or Islamic negotiable instruments are valued each day by reference to the value of such investments and the profits accrued thereon for the relevant period, if any.</p> <p>Investments in instruments such as Islamic commercial papers are valued on daily basis using the fair value prices.</p>
Islamic Deposits	Islamic deposits placed with financial institutions and Islamic bank bills are valued each day by reference to their principal values and the accrued profits thereon for the relevant period.
Suspended Counters	In the event the quoted/listed Shariah-compliant investments are suspended, the Shariah-compliant investments will be valued at their last done price before suspension. In the event of a suspension in the quotation of the Shariah-compliant securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, then the Shariah-compliant securities

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	should be valued at fair value as determined with due care in good faith by the Manager and the basis for determining the fair value of the investments is approved by the Trustee after appropriate technical consultation.
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Where the value of the Fund's assets is denominated in a currency other than the Base Currency, the assets are translated on a daily basis to USD based on the bid foreign exchange rate quoted by Bloomberg or Reuters at 4.00 p.m. United Kingdom time on the same day in accordance with FiMM's Investment Management Standards, or such other time as may be prescribed from time to time by the relevant laws.

### **3.1.2 Valuation Point**

Valuation point refers to a time(s) on a Business Day which the Manager decides to conduct a valuation on the NAV. Valuation will be done daily at the end of the Business Day. The Fund with exposure to foreign investments shall be valued at or before 5.00 p.m. on the next Business Day (or "T+1") due to the time difference between Malaysia and the country(ies) where the Fund invests in. For example, to determine the NAV of the Fund/Class(es) for Monday, the valuation will be done only on the next Business Day (e.g. Tuesday). However, the prices used for valuation will be the value of the Fund's assets on Monday.

The NAV per Unit of the Class will be published upon valuation conducted. However, delay may occur in updating the NAV per Unit of the Class. The latest prices will be available on the Manager's website at [www.manulifeim.com.my](http://www.manulifeim.com.my) or FiMM's website. Alternatively, Unit Holders may contact the Manager's Customer Service Hotline.

### **3.1.3 Pricing Policy**

The Manager adopts the single pricing policy which is in line with the SC's requirement for Malaysia's unit trust industry. Under this regime, both the selling and buying price of Units will be quoted based on a single price i.e. the NAV per Unit of the Class. The daily NAV per Unit is valued at the next valuation point on forward price basis ("Forward Pricing").

The selling and redemption transactions are traded at forward prices. Units would be created/ redeemed based on the NAV per Unit as at the end of the Business Day on which the requests for purchase or redemption are received or deemed to have been received by the Manager at or before the cut-off time (please refer to Section 3.3 Information on Purchasing and Redeeming Units). Any application received after this cut-off time will be considered as being transacted on the next Business Day.

Sales charge and redemption charge (if any) that are to be levied on the purchase and sale of Units by investors will not be incorporated in the quoted prices of the Fund/Class. These charges will be computed and charged separately.

The NAV per Unit of the Class is computed by dividing the NAV of the Class with the total number of Units in circulation of the respective Class, at the valuation point.

**Incorrect Pricing**

Subject to any relevant law, the Manager will take immediate remedial action to rectify any incorrect valuation or pricing. Where the incorrect valuation or pricing is at or above the threshold of 0.5% of the NAV per Unit of the Fund/Class, rectification must be extended to the reimbursement of money:

- by the Manager to the Fund;
- from the Fund to the Manager; or
- by the Manager to Unit Holders and former Unit Holders.

The Manager retains the discretion whether or not to reimburse if the error is below 0.5% of the NAV per Unit of the Fund/Class. Where the total impact on an individual account is less than 10.00 in absolute amount of the Fund/Class's respective denomination, there will be no reimbursement.

## 3.2 COMPUTATION OF NAV AND NAV PER UNIT

The valuation of the Fund will be in the Base Currency. As such, the assets and cash denominated in any other currencies will be converted into the Base Currency for valuation purposes.

The 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. As the Fund has more than one Class, there shall be a NAV of the Fund attributable to each Class.

The NAV per Unit of a Class is the NAV of the Fund attributable to a particular Class divided by the number of Units in circulation for that particular Class, at the same valuation point.

*An illustration of the computation of NAV and the NAV per Unit of the Fund:*

	<b>Fund</b>	<b>A (RM-Hedged) Class</b>	<b>A (RM) Class</b>	<b>A (USD) Class</b>
	USD	USD	USD	USD
Ratio between NAV of the Classes	100%	60%	20%	20%
Investments	120,000,000	72,000,000	24,000,000	24,000,000
Hedging profit/(loss)*	20,000	20,000	-	-
Other asset (including cash)	1,000,000	600,000	200,000	200,000
Total assets	121,020,000	72,620,000	24,200,000	24,200,000
Less: Liabilities	(500,000)	(300,000)	(100,000)	(100,000)
<b>NAV of the Fund before deducting management fee and trustee fee</b>	<b>120,520,000</b>	<b>72,320,000</b>	<b>24,100,000</b>	<b>24,100,000</b>
<b>Expenses:</b>				
<b>Management fee</b>	<b>1.85%</b>			
Management fee for the day (1.85% ÷ 365 days)	6,108.55	3,665.53	1,221.51	1,221.51
<b>Trustee fee</b>	<b>0.06%</b>			
Trustee fee for the day (0.06% ÷ 365 days)	198.12	118.88	39.62	39.62
<b>Total expenses incurred by the Fund</b>	<b>6,306.67</b>	<b>3,784.41</b>	<b>1,261.13</b>	<b>1,261.13</b>
<b>NAV of the Fund after deducting management fee and trustee fee</b>	<b>120,513,693.33</b>	<b>72,316,215.59</b>	<b>24,098,738.87</b>	<b>24,098,738.87</b>
Units in circulation		555,000,000	106,000,000	45,000,000
NAV per Unit of each Class in Base Currency		USD 0.1303	USD 0.2273	USD 0.5355
<i>(Exchange rate at USD 1 = RM4.40)</i>				
<b>NAV per Unit of each Class after deducting management fee and trustee fee</b>		<b>RM 0.5733</b>	<b>RM 1.0001</b>	<b>USD 0.5355</b>

\* Please note that any unrealized gain or loss on the currency hedging for A (RM-Hedged) Class will have an impact when calculating the fees and charges of the Class.

Please note that the calculation set out above is for illustration purposes only, and exclusive of tax.

### 3.3 INFORMATION ON PURCHASING AND REDEEMING UNITS

Units can be purchased and redeemed by completing the *Account Opening Form or Redemption Form* which is obtainable via:

- the Manager's office/branch offices between 8.45 a.m. to 5.30 p.m. on a Business Day;
- the Manager's website at [www.manulifeim.com.my](http://www.manulifeim.com.my);
- direct mail to you by contacting the Manager's Customer Service Hotline; or
- any of the Manager's authorised distributors.

Application for investment and redemption of Units can be made on any Business Day subject to the cut-off time below:

#### Cut-off time for:

• walk-in	3.00 p.m. or any other time that may be determined by the Manager.
• online transactions*	4.00 p.m.

\*Online transactions include purchase of Units and switching between fund/class denominated in RM only. Online transactions are not applicable for redemption of Units currently. You may refer to our online tool for latest updates.

You should note that different distributors may have different cut-off times and procedures in respect of receiving application request. Please contact the relevant distributors for more information.

Other charges incurred in executing transactions including but not limited to bank charges and telegraphic transfer charges, may be borne by you.

#### 3.3.1 Opening an Account and Making an Investment

You may invest in the Fund by completing the relevant application forms. You should read and understand the contents of the Prospectus before completing the form. We reserve the right to request for additional documentation before we process the application.

Class	Application Mode	A (RM Hedged) Class	A (RM) Class	A (USD) Class
Minimum Initial Investment	Walk-in	RM2,000.00	RM2,000.00	USD2,000.00
	Online transactions	RM200.00	RM200.00	Not available
		or such other lower amount as the Manager may from time to time decide.		
Minimum Additional Investment	Walk-in	RM1,000.00	RM1,000.00	USD1,000.00
	Online transactions	RM100.00	RM100.00	Not available
		or such other lower amount as the Manager may from time to time decide.		

Payment can be made by depositing payments into our account using either cheque, bank draft or telegraphic transfer payable to:  
“MANULIFE INVESTMENT MANAGEMENT (M) BERHAD - CLIENT TRUST ACCOUNT”

You may make regular investments via the autodebit/standing instruction facilities available at selected banks and handling charges will be borne by you. Please contact the Manager’s Customer Service Hotline for more details.

Investors intending to invest in a Class denominated in non-RM currency are required to have a foreign currency account with any financial institutions as all transactions relating to the particular foreign currency will only be made via telegraphic transfer.

Please note that the Fund is not offered for sale to any U.S. person.

### 3.3.2 Processing of Application

A valid application or additional investment received before the cut-off time on any Business Day will be processed upon clearance of payment using Forward Pricing. If the said application is received after the cut-off time or on a non-Business Day, the application will be processed on the next Business Day.

*Note: The Manager reserves the right to accept or reject any application in whole or part thereof without assigning any reason.*

### 3.3.3 Cooling-Off

The cooling-off period is only applicable to any individual investing for the first time in any unit trust funds managed by the Manager and excludes staff of the Manager and persons registered with a body approved by the SC to deal in unit trust funds. You have the right, within six (6) Business Days from the day of the receipt by the Manager of your application form, to call for a withdrawal of your investment.

The money invested (including the sales charge, if any) will be refunded to you within seven (7) Business Days from the receipt of the application for cooling-off by the Manager in the following manner:

- (a) If the NAV per Unit on the day the Units were first purchased (“original price”) is higher than the NAV per Unit at the point of exercise of the cooling-off right (“market price”), the market price at the point of cooling-off will be refunded; or
- (b) If the market price is higher than the original price, the original price at the point of cooling-off will be refunded.

Withdrawal proceeds will only be paid to you once the Manager has received the cleared payments for the original investment.

### 3.3.4 Redeeming an Investment

You may redeem part of or all your investment on any Business Day by completing a *Redemption Form*. There is no restriction on the frequency of redemption. Units will be redeemed at the Class’s NAV per Unit as at the next valuation point (i.e. Forward Pricing).

#### For all Classes of Units:

Minimum redemption amount	500 Units or such other lower number of Units as the Manager may from time to time decide.
Minimum holding/balance	1,000 Units or such other lower number of Units as the Manager may from time to time decide.



If the redemption request leaves a Unit Holder with less than 1,000 Units (minimum holding/balance) in his account, the Manager will request the Unit Holder to redeem the remaining Units in the Unit Holder's account.

As the Fund's investment comprise of markets outside Malaysia and is subject to currency conversion due to the Class available for transaction is denominated in a currency that is different from the Base Currency, the redemption proceeds will be paid to the Unit Holders within eight (8) Business Days for A (RM-Hedged) Class, A (RM Class) and A (USD) Class from the date on which the request to redeem is received by the Manager.

Unit Holders should note that redemption limit may be imposed or redemption may be suspended as part of liquidity risk management, subject to the circumstances as prescribed in Section 1.2.3 Risk Management Strategy.

Should the redemption request of the Fund be deferred due to total net redemption received for the Fund on a particular Business Day be more than 10% of the NAV of the Fund, redemptions may be deferred for processing for not more than seven consecutive Business Days based on the date of receipt of the redemption request. The redemption proceeds for A (RM-Hedged) Class, A (RM Class) and A (USD) Class will be paid within eight (8) Business Days from the date when the redemption request is processed. This means may take up to 15 Business Days to pay the redemption proceeds to you when a deferral of redemption is triggered.

Should the redemption request of the Fund be suspended as per Section 3.5, the redemption proceeds will be paid within eight (8) Business Days from the date when the redemption request is processed.

Payment cannot be made to bank accounts in the name of third parties. For joint account, the bank account provided could either be in the name of the principal account holder or in the names of both account holders.

Payment can only be made in the same currency as per the Class which you have invested in. For example, if you invest in A (USD) Class, we can only make payment in USD into your designated foreign currency account.

### **3.3.5 Switching**

Switching is a facility which enables you to convert units of a particular fund/class of the fund to the units of other fund/class of the fund managed by the Manager. You may switch part of or all of your investment at any time by completing a *Switching Form*.

It is provided that the fund/class of the fund is denominated in the same currency as the class that you intend to switch out/into, and subject to the switching fee applicable to the respective funds.

The minimum switch quantity is 1,000 Units or such other lower number of Units as the Manager may from time to time decide and is subject to the minimum holding/balance and minimum initial or additional investment amount of the respective funds.

Note: The switching facility is constrained by the number of funds distributed by a given distribution channel – e.g. if an IUTA only distributes 3 funds managed by the Manager, the switching facility will only be limited to the 3 funds.

### **3.3.6 Transfer**

You may transfer part of or all your Units in the Class to another person by completing a *Transfer Form*.

The minimum transfer quantity is 1,000 Units or such other lower number of Units as the Manager may from time to time decide and is subject to the minimum holding/balance and minimum initial or additional investment amount of the respective funds.

Please refer to page 63 for a list of distribution channels and offices.

### **3.4 DISTRIBUTION PAYMENT**

*For A (RM-Hedged) Class, A (RM) Class and A (USD) Class*

Income distribution (if any) will automatically be reinvested as additional Units in the Fund at no sales charge, based on the NAV per Unit of the Class on the Business Day following the income distribution declaration date unless a written instruction to the contrary is furnished to the Manager. The reinvestment of such additional Units will only be done within fourteen (14) days of the income distribution declaration date. If the investor wishes for the income distribution to be paid out, a written instruction to the Manager to credit directly into the Unit Holder's bank account in the currency denomination of the Class shall be furnished to the Manager (the applicable cost and expenses will be borne by Unit Holder). Income distributions amounting to less than RM100.00 (for RM denominated Classes) or 300.00 in the respective currency of other Classes, or such amount as may be determined by the Manager from time to time will not be paid out but will be automatically reinvested as additional Units in the respective Class on the Business Day following the income distribution declaration date. Payment cannot be made to bank accounts in the name of third parties. For joint account, the bank account provided could either be in the name of the principal account holder or in the names of both account holders.

**UNIT PRICES AND DISTRIBUTIONS PAYABLE, IF ANY, MAY GO DOWN AS WELL AS UP.**

### **3.5 SUSPENSION OF DEALING IN UNITS**

The Manager may, in consultation with the Trustee and having considered the interests of Unit Holders, suspend the dealing in Units of the Fund or a particular Class, due to exceptional circumstances, where there is good and sufficient reason to do so.

1. Any period when a state of emergency prevents a practicable disposal of a substantial portion of assets of the Fund or would seriously be prejudicial to the Unit Holders;
2. Stock exchanges or markets which are the basis for the valuation of a major part of the Fund's assets or foreign exchange markets for currencies in which the net asset value or a considerable portion of its assets are denominated, are closed, except on regular public holidays, or when trading on such a market is limited or suspended;
3. Any means of communication normally employed in determining the price of the permitted investments of the Fund cannot be used, or for some other reason the price of such investments cannot be determined normally, quickly and correctly;
4. Inability or limitation on exchange operations or other transfer of assets render it impracticable to execute business transactions, or where purchases and sales of the Fund's assets cannot be effected at the normal exchange rates;
5. A possible decision to liquidate or terminate the Fund;
6. Any period when the Manager is unable to repatriate funds for the purpose of making repayments due on the redemption of Units or during which any transfer of funds involved in the realisation or acquisition of investments or payments due

on the redemption of Units cannot in the opinion of the Manager be effected at normal rates of exchange.

The Manager will cease the suspension as soon as practicable after the circumstances which result in the suspension have ceased, and in any event within twenty-one (21) days of the commencement of suspension. The period of suspension may be extended if the Manager satisfies the Trustee that it is in the best interests of the Unit Holders for the dealing in Units to remain suspended and such extension will be subject to weekly review by the Trustee.

Where such suspension of dealing in Units of the Fund or a particular Class is triggered, the Manager will ensure that all Unit Holders are informed in a timely and appropriate manner of the decision to suspend dealing in Units of the Fund.

### **3.6 POLICY AND PROCEDURES ON UNCLAIMED MONIES**

Any monies payable to Unit Holders which remain unclaimed after two (2) years from the date of payment will be handled by the Manager in accordance with the requirements of the Unclaimed Moneys Act 1965 as amended by Unclaimed Moneys (Amendment) Act 2024.

**INVESTORS ARE ADVISED NOT TO MAKE PAYMENT IN CASH TO ANY INDIVIDUAL AGENT WHEN PURCHASING UNITS OF THE FUND.**

## **4 THE MANAGEMENT COMPANY**

### **4.1 CORPORATE INFORMATION**

The Manager, Manulife Investment Management (M) Berhad, was incorporated in Malaysia on 30 September 2008 under the Companies Act 1965 (now known as Companies Act 2016). The Manager commenced operations as a unit trust management company in late 2009.

In 2012, pursuant to the rationalization and re-organization of the asset and unit trust management businesses of the Manulife group of companies where the business and assets of Manulife Asset Management (Malaysia) Sdn Bhd were transferred to the Manager, the Manager varied its Capital Markets and Services License (“CMSL”) for the regulated activity of “dealing in securities restricted to unit trust” to allow them to also conduct the regulated activity of “fund management” under the Act. With effect from 1 September 2014, the Manager is the holder of a CMSL for the regulated activities of fund management, dealing in securities restricted to unit trusts, dealing in private retirement scheme and financial planning.

On 13 November 2013, Manulife Holdings Berhad entered into an agreement to fully acquire MAAKL Mutual Bhd. Following the completion of the acquisition by Manulife Holdings Berhad of the entire share capital of MAAKL Mutual Bhd on 31 December 2013, MAAKL Mutual Bhd became a wholly owned subsidiary of Manulife Holdings Berhad. Pursuant to a vesting order granted by the High Court of Malaya, the businesses and assets of MAAKL Mutual Bhd have been merged with Manulife Investment Management (M) Berhad. The merged entity has more than fifteen (15) years of experience in the unit trust industry.

The investment professionals of the Manager form part of the Manulife group of companies’ asset management global network of investment professionals with more than three hundred (300) fund managers, analysts and traders who together provide comprehensive asset management solutions.

### **4.2 ROLE OF THE MANAGER**

The Manager is responsible for the operation and administration of the Fund; investment management of the Fund in accordance with among others, the provisions of the Deed and the Manager’s internal policies and for the implementation of the investment strategy; marketing of the Fund; servicing Unit Holders’ needs; keeping proper administrative records of Unit Holders and accounting records of the Fund; ensuring that the Fund/Units are correctly priced; and ensuring compliance with stringent internal procedures and guidelines of relevant authorities and relevant laws.

### **4.3 ROLE AND FUNCTIONS OF THE BOARD OF DIRECTORS**

The board of directors, who meet at least once every quarter, are mainly responsible for the overall development of the Manager. Their functions include setting policies and guidelines of the Manager, overseeing activities of the Manager and reviewing the performance, financial and audit reports of the Manager.

In exercising their powers, the board of directors will act honestly with diligence and with reasonable skill. Each director has a fiduciary duty to the Manager and must not allow his or personal interests to conflict with that duty. Apart from the Manager’s Internal Code of Ethics and Conduct, the directors have to comply with their statutory duties as set out in the Companies Act 2016 and other relevant legislations.

The list of board of directors is available on our website at <https://www.manulifeim.com.my/about-us/corporate-profile/the-board-of-directors.html>.

#### **4.4 FUND MANAGEMENT FUNCTION**

The information on the investment team is available on our website at <https://www.manulifeim.com.my/about-us/corporate-profile/key-personnel.html>.

#### **4.5 LITIGATION AND ARBITRATION**

As at LPD, the Manager is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect the business/ financial position of the Manager.

#### **4.6 OTHER INFORMATION**

Further information on the Manager and investment team are available on our website at [www.manulifeim.com.my](http://www.manulifeim.com.my).

## 5 THE FUND MANAGERS

The Manager has appointed Manulife Investment Management (US) LLC (“Manulife IM (US)”) and Manulife Investment Management Limited (“Manulife IM Limited”) as the fund managers for the Fund. The function of the Fund Managers is to actively manage the investments of the Fund in accordance with its investment objective.

Manulife IM (US), a wholly-owned subsidiary of Manulife Financial Corporation (“Manulife”), was organized in 1968 in the state of Delaware and registered with the U.S. Securities and Exchange Commission on 4 August 1992. Manulife IM (US) and its affiliates provide comprehensive asset management solutions for institutional investors and investment funds in key markets around the world since 1992. Its investment expertise extends across a broad range of public and private asset classes, as well as asset allocation solution. Manulife IM (US)’s investment teams operate in a boutique environment\*, are empowered to make investment decisions in line with their singular philosophy and their clients’ long-term objectives, and are backed by the global network and resources of a trusted leader.

Manulife IM Limited is regulated by the Ontario Securities Commission in Canada. Manulife IM Limited is an indirect, wholly-owned subsidiary of Manulife. It was formed by an amalgamation on July 1 2015 of Manulife owned entities including Manulife Asset Management Limited (formerly named Elliott & Page Limited) and the former Standard Life Mutual Funds Ltd. Elliott and Page Limited was first organized in 1949 in Toronto, Ontario, incorporated on December 28 1954, and acquired by Manulife in 1996.. Manulife IM Limited has been regulated as a Federal corporation since 2015.

The investment professionals of Manulife IM (US) and Manulife IM Limited form part of Manulife Investment Management’s global network of more than 360 professionals in 18 geographies, including 10 markets and 120 years of on-the-ground experience in Asia.

The Manager shall be responsible for the review, monitoring and oversight of Manulife IM (US) and Manulife IM Limited in the performance of its duties and obligations in respect of the Fund.

\* Means a market segment that requires highly individualized services (i.e. private mandate funds).

### 5.1 LITIGATION AND ARBITRATION

As at LPD, Manulife IM (US) and Manulife IM Limited are not engaged in any material litigation and arbitration, including those pending or threatened, and are not aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of Manulife IM (US) and Manulife IM Limited.

Further information on the Fund Managers and the designated fund managers are available on our website at <https://www.manulifeim.com.my/about-us/corporate-profile/investment-manager.html>.

## 6 THE TRUSTEE

HSBC (Malaysia) Trustee Berhad (Registration No.: 193701000084 (1281-T)) is a company incorporated in Malaysia since 1937 and registered as a trust company under the Trust Companies Act 1949, with its registered address at Level 19, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur.

Since 1993, the Trustee has acquired experience in the administration of trusts and has been appointed as trustee for unit trust funds, exchange traded funds, wholesale funds and funds under private retirement scheme.

### 6.1 DUTIES AND RESPONSIBILITIES OF THE TRUSTEE

The Trustee's main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit Holders of the Fund. In performing these functions, the Trustee has to exercise all due care, diligence and vigilance and is required to act in accordance with the provisions of the Deed, the CMSA and the Guidelines. Apart from being the legal owner of the Fund's assets, the Trustee is also responsible for ensuring that the Manager performs its duties and obligations in accordance with the provisions of the Deed, the CMSA and the Guidelines. In respect of monies paid by an investor for the application of Units, the Trustee's responsibility arises when the monies are received in the relevant account of the Trustee for the Fund and in respect of redemption, the Trustee's responsibility is discharged once it has paid the redemption amount to the Manager.

### 6.2 TRUSTEE'S DELEGATE

The Trustee has appointed the Hongkong and Shanghai Banking Corporation Limited as the custodian of both the local and foreign assets of the Fund. For quoted and unquoted local investments of the Fund, the assets are held through HSBC Bank Malaysia Berhad and/or HSBC Nominees (Tempatan) Sdn Bhd. The Hongkong and Shanghai Banking Corporation Limited is a wholly owned subsidiary of HSBC Holdings Plc, the holding company of the HSBC Group. The custodian's comprehensive custody and clearing services cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate events processing. All investments are registered in the name of the Trustee or to the order of the Trustee. The custodian acts only in accordance with instructions from the Trustee.

The Trustee shall be responsible for the acts and omissions of its delegate as though they were its own acts and omissions.

However, the Trustee is not liable for the acts, omissions or failure of any third party depository such as central securities depositories, or clearing and/or settlement systems and/or authorised depository institutions, where the law or regulation of the relevant jurisdiction requires the Trustee to deal or hold any asset of the Fund through such third parties.

#### **Particulars of the Trustee's Delegate**

For foreign asset:

The Hongkong and Shanghai Banking Corporation Limited  
6/F, Tower 1,  
HSBC Centre,  
1 Sham Mong Road, Hong Kong  
Telephone No: 852-2288 1111

For local asset:

The Hongkong and Shanghai Banking Corporation Limited (as custodian) and assets held through HSBC Nominees (Tempatan) Sdn Bhd  
(Registration No.: 199301004117 (258854-D))

Level 21, Menara IQ

Lingkar TRX

55188 Tun Razak Exchange

Kuala Lumpur

Telephone No: 603-2075 3000 Fax No: 603-8894 2588

The Hongkong and Shanghai Banking Corporation Limited (as custodian) and assets held through HSBC Bank Malaysia Berhad

(Registration No.: 198401015221 (127776-V))

Level 21, Menara IQ

Lingkar TRX

55188 Tun Razak Exchange

Kuala Lumpur

Telephone No: 603-2075 3000 Fax No: 603-8894 2588

### **6.3 ANTI-MONEY LAUNDERING AND ANTI-TERRORISM FINANCING PROVISIONS**

The Trustee has in place policies and procedures across the HSBC Group, which may exceed local regulations. Subject to any local regulations, the Trustee shall not be liable for any loss resulting from compliance of such policies, except in the case of negligence, willful default or fraud of the Trustee.

### **6.4 RELATED PARTY TRANSACTIONS/CONFLICT OF INTEREST**

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

- 1) Where the Fund invests in instruments offered by the related party of the Trustee (e.g. placement of monies, structured products, etc.);
- 2) Where the Fund is being distributed by the related party of the Trustee as IUTA;
- 3) Where the assets of the Fund are being custodised by the related party of the Trustee both as sub-custodian and/or global custodian of the Fund (Trustee's delegate); and
- 4) Where the Fund obtains financing and hedging facilities as permitted under the Guidelines, from the related party of the Trustee.

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

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



## **6.5 STATEMENT OF RESPONSIBILITY**

The Trustee has given its willingness to assume the position as trustee of the Fund and all the obligations in accordance with the Deed, all relevant laws and rules of law. The Trustee shall be entitled to be indemnified out of the Fund against all losses, damages or expenses incurred by the Trustee in performing any of its duties or exercising any of its powers under the Deed in relation to the Fund. The right to indemnity shall not extend to loss occasioned by breach of trust, wilful default, negligence, fraud or failure to show the degree of care and diligence required of the Trustee having regard to the provisions of the Deed.

## **6.6 STATEMENT OF DISCLAIMER**

The Trustee is not liable for doing or failing to do any act for the purpose of complying with law, regulation or court orders.

## **6.7 CONSENT TO DISCLOSURE**

The Trustee shall be entitled to process, transfer, release and disclose from time to time any information relating to the Fund, Manager and Unit Holders for purposes of performing its duties and obligations in accordance to the Deed, the Act, the Guidelines and any other legal and/or regulatory obligations such as conducting financial crime risk management, to the Trustee's parent company, subsidiaries, associate companies, affiliates, delegates, service providers, agents and any governing or regulatory authority, whether within or outside Malaysia (who may also subsequently process, transfer, release and disclose such information for any of the above mentioned purposes) on the basis that the recipients shall continue to maintain the confidentiality of information disclosed, as required by law, regulation or directive, or in relation to any legal action, or to any court, regulatory agency, government body or authority.

## **6.8 MATERIAL LITIGATION**

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

Further information on the Trustee is provided in our website at [www.manulifeim.com.my](http://www.manulifeim.com.my).

## 7 SHARIAH ADVISER

### 7.1 GENERAL INFORMATION OF THE SHARIAH ADVISER

ZICO Shariah Advisory Services Sdn Bhd ("ZICO Shariah") is the Shariah adviser for the Fund. ZICO Shariah is a member of ZICO Holdings and is registered with the SC to advise on sukuk issuances, Islamic funds as well as other Islamic capital market products and instruments. It is also approved by the BNM to provide Shariah advice, Shariah review and Shariah audit services to Islamic financial institutions. ZICO Shariah has more than twelve (12) years of Shariah advisory experience.

### 7.2 ROLES AND RESPONSIBILITIES OF THE SHARIAH ADVISER

As the Shariah adviser of the Fund, ZICO Shariah will ensure the operations and investments of the Fund is in compliance with Shariah requirements. ZICO Shariah will review the Fund's investments on a monthly basis to ensure adherence with Shariah requirements at all times.

In line with the Guidelines, the roles of ZICO Shariah as the Shariah adviser of the Fund are:

- ensuring that the operations and investments of the Fund is in compliance with Shariah principles/requirements;
- providing expertise and guidance for the Fund in all matters relating to Shariah principles, including on the Deed and Prospectus, its structure and investment process, and other operational and administrative matters;
- consulting the SC who may consult the SACSC where there is any ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process;
- scrutinising the Fund's compliance report as provided by the compliance officer, transaction report provided by or duly approved by the Trustee and any other report deemed necessary for the purpose of ensuring that the Fund's investments are in line with the Shariah principles;
- preparing a report to be included in the Fund's semi-annual and annual report certifying whether the Fund has been managed and administered in accordance with the Shariah principles;
- ensuring that the Fund comply with any guideline, ruling or decision issued by the SC with regard to Shariah matters;
- vetting and advising on the promotional materials of the Fund;
- assisting and attending to any ad-hoc meeting called by the SC and/or any other relevant authority; and
- applying *ijtihad* (intellectual reasoning) to ensure all aspects relating to the operations and investments of the Fund is in compliance with Shariah, in the absence of any rulings, principles and concepts endorsed by the SACSC.

### 7.3 PROFILE OF THE SHARIAH TEAM

Information on the Shariah Adviser including the Shariah officer responsible for Shariah matters of the Fund is available on our website at <https://www.manulifeim.com.my/about-us/corporate-profile/the-shariah-adviser.html>.

## 8 SALIENT TERMS OF THE DEED

### 8.1 RIGHTS AND LIABILITIES OF UNIT HOLDERS

#### 8.1.1 Rights of Unit Holders

As a Unit Holder of the Fund, and subject to the provisions of the Deed, you have the right to:

- a) receive distributions of income, if any, from the Fund;
- b) participate in any increase in the NAV per Unit of the Fund/Class;
- c) call for Unit Holders' meetings and to vote for the removal of the Trustee or the Manager through a Special Resolution;
- d) receive semi-annual and annual reports on the Fund; and
- e) exercise such other rights and privileges as provided for in the Deed.

However, Unit Holders would not have the right to require the transfer to them any of the assets of the Fund. Neither would Unit Holders have the right to interfere with or to question the exercise by the Trustee (or by the Manager on the Trustee's behalf) of the rights of the Trustee as the registered owner of such assets.

Please be advised that if you invest in Units through an IUTA which adopts the nominee system of ownership, you will not be considered as a Unit Holder under the Deed and you may consequently not have all the rights ordinarily exercisable by a Unit Holder (including but not limited to the right to call for a Unit Holders' meeting and to vote thereat and the right to have your particulars appearing in the register of Unit Holders of the Fund).

#### 8.1.2 Liabilities of Unit Holders

As a Unit Holder of the Fund, and subject to the provisions of the Deed, your liabilities would be limited to the following:

- a) A Unit Holder would not be liable for nor would a Unit Holder be required to pay any amount in addition to the payment for Units of the Class as set out in the Prospectus and the Deed.
- b) A Unit Holder would not be liable to indemnify the Trustee and/or the Manager in the event that the liabilities incurred by the Trustee and/or the Manager in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the NAV of the Fund, and any right of indemnity of the Manager and/or the Trustee shall be limited to recourse to the Fund.

### 8.2 MAXIMUM FEES AND CHARGES PERMITTED BY THE DEED

#### 8.2.1 Direct Fees and Charges

The maximum rate of direct fees and charges allowable by the Deed are as follows:

Charges	Maximum Charge on NAV per Unit
Sales charge	7.00%
Redemption charge	5.00%

## 8.2.2 Indirect Fees and Charges

The maximum rate of indirect fees and charges allowable by the Deed are as follows:

Charges	Maximum Fee
Annual management fee	3.00% per annum of the NAV of the Class
Annual trustee fee	0.20% per annum of the NAV of the Fund (including local custodian fees but excluding foreign custodian fees and charges)

Any increase of the fees and/or charges above the rate as stated in this Prospectus may be made provided that:

- a) in respect of the sales charge and/or redemption charge, the Manager has notified the Trustee in writing of the higher charge and the effective date for the higher charge, a supplementary prospectus or replacement prospectus setting out the higher charge is registered, lodged and issued and such time as may be prescribed by any relevant law has elapsed since the effective date of the supplementary prospectus or replacement prospectus; and
- b) in respect of the annual management fee and/or annual trustee fee, the Manager has come to an agreement with the Trustee on the higher rate, the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective and such time as may be prescribed by any relevant law shall have elapsed since the date of the notice, a supplementary prospectus or replacement prospectus stating the higher rate is registered, lodged and issued and such time as may be prescribed by any relevant law shall have elapsed since the date of the supplementary prospectus or replacement prospectus.

Any increase of the fees and/or charges above the maximum stated in the Deed shall require your approval.

## 8.3 PERMITTED EXPENSES PAYABLE OUT OF THE FUND

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

- (a) commissions or fees paid to brokers or dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- (b) (where the custodial function is delegated by the Trustee), charges and fees paid to sub-custodians taking into custody any foreign assets of the Fund;
- (c) taxes and other duties charged on the Fund by the government and/or other authorities, if any and bank fees;
- (d) costs, fees and expenses properly incurred by the auditor and tax agent of the Fund;
- (e) remuneration and out of pocket expenses of the person(s) or members of a committee undertaking the oversight function of the Fund, unless the Manager decides otherwise;
- (f) fees for the valuation of any investment of the Fund;
- (g) costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- (h) costs, fees and expenses incurred for any meeting of Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;
- (i) costs, commissions, fees and expenses of the sale, purchase, takaful and any other dealings of any asset of the Fund;
- (j) costs, fees and expenses incurred in engaging any specialists approved by the Trustee for investigating and evaluating any proposed investment of the Fund;
- (k) costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund;
- (l) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;

- (m) costs, fees and expenses incurred in the termination of the Fund or a Class or the retirement or removal of the Trustee or the Manager and the appointment of a new trustee or management company;
- (n) costs, fees and expenses incurred in relation to any arbitration or other proceedings, concerning the Fund, a Class or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund or a Class (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed out of the Fund);
- (o) costs, fees and expenses deemed by the Manager 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;
- (p) costs, fees and expenses incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent;
- (q) all costs and expenses associated with the distributions declared pursuant to the Deed and the payment of such distribution including without limitation fees, costs and/or expenses for the revalidation or reissuance of any distribution cheque or distribution warrant or telegraphic transfer;
- (r) costs of obtaining expert opinion by the Trustee and/or the Manager for the benefit of the Fund or its Class(es);
- (s) expenses and charges incurred in connection with the printing and postage for the annual or semi-annual report, tax certificates, reinvestment statements and other services associated with the administration of the Fund; and
- (t) any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred under sub-paragraphs (a) to (s) above.

The Trustee and us are required to ensure that any fees or charges payable are reasonable and in accordance with the Deed.

## **8.4 REMOVAL, REPLACEMENT AND RETIREMENT OF THE MANAGER**

The Manager must retire as the management company of the Fund when required to retire by law.

The Manager may retire upon giving twelve (12) months' notice in writing to the Trustee of its desire to do so, or such shorter period as the Manager and Trustee may agree upon, in favour of another corporation.

The Manager shall retire under the following circumstances:

- if a Special Resolution is duly passed by the Unit Holders requiring the Manager to be removed; or
- if the Manager ceases to be licensed by the SC to be a manager of unit trust schemes.

The Manager may be removed by the Trustee under certain circumstances outlined in the Deed. These include:

- if the Manager has gone into liquidation, except for the purpose of reconstruction or amalgamation or some similar purpose, or has had a receiver appointed or has ceased to carry on business; or
- if the Manager has failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interests of Unit Holders for the Trustee to do so after the Trustee has given notice to the Manager of that opinion and the reasons for that opinion, and has considered any representation made by the Manager in respect of that opinion, and after consultation with the relevant authorities and with the approval of the Unit Holders by way of a Special Resolution; or

- unless expressly directed otherwise by the relevant authorities, if the Manager is in breach of any of its obligations or duties under the Deed or the relevant laws, or has ceased to be eligible to be a management company under the relevant laws,

and the Manager shall not accept any extra payment or benefit in relation to such removal.

In any of the above said circumstances, the Manager shall upon receipt of a written notice from the Trustee cease to be the management company of the Fund. The Trustee shall, at the same time, in writing appoint some other corporation already approved by the relevant authorities to be the management company of the Fund; such corporation shall have entered into such deed or deeds as the Trustee may consider to be necessary or desirable to secure the due performance of its duties as management company for the Fund.

## **8.5 REMOVAL, REPLACEMENT AND RETIREMENT OF THE TRUSTEE**

The Manager and the Trustee may agree, and may by deed appoint in its stead a new trustee approved by the SC.

The Trustee must retire as trustee of the Fund when required to retire by law. The Trustee may retire upon giving twelve (12) months' notice to the Manager of its desire so to do, or such other shorter period as the Manager and the Trustee may agree.

The Manager shall take all reasonable steps to replace the Trustee as soon as practicable after becoming aware that:

- the Trustee has ceased to exist;
- the Trustee has not been validly appointed;
- the Trustee was not eligible to be appointed or to act as trustee under any relevant law;
- the Trustee has failed or refused to act as trustee in accordance with the provisions or covenants of the Deed or any relevant law;
- a receiver has been appointed over the whole or a substantial part of the assets or undertaking of the Trustee and has not ceased to act under that appointment;
- a petition has been presented for the winding up of the Trustee (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the Trustee becomes or is declared to be insolvent); or
- the Trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 2016 or any relevant law.

The Trustee may be replaced by another corporation appointed as trustee of the Fund by a Special Resolution of the Unit Holders at a Unit Holders' meeting convened in accordance with the Deed either by the Manager or the Unit Holders.

## **8.6 THE FUND AND/OR ITS CLASS(ES)**

The Fund or any of the Classes may be terminated or wound-up upon the occurrence of any of the following events:

- a) the SC's authorisation is withdrawn under Section 256E of the CMSA; or
- b) a Special Resolution is passed at a Unit Holders' meeting of all the Unit Holders of the Fund or the relevant Class to terminate or wind-up the Fund or that Class, as the case may be, following the occurrence of events stipulated under Section 301(1) of the CMSA and the court has confirmed the resolution, as required under Section 301(2) of the CMSA; or

- c) a Special Resolution is passed at a Unit Holders' meeting of all the Unit Holders of the Fund or the relevant Class to terminate or wind-up the Fund or that Class, as the case may be; or
- d) the effective date of an approved transfer scheme, as defined under the Guidelines, has resulted in the Fund, which is the subject of the transfer scheme, being left with no asset/property.

A Class may be terminated if a Special Resolution is passed at a Unit Holders' meeting of that Class to terminate or wind-up that Class provided always that such termination or winding-up of that Class does not materially prejudice the interest of any other Class in the Fund.

Notwithstanding the aforesaid, the Manager may, in consultation with the Trustee, terminate and wind up the Fund or the Class without having to obtain the prior approval of the Unit Holders of the Fund or Class, if:

- (a) the Fund/Class size is below RM20,000,000 or such other amount as the Manager and the Trustee may jointly deem it to be uneconomical for the Manager to continue managing the Fund/Class; and
- (b) the termination of the Fund/Class is in the best interest of Unit Holders of the Fund/Class.

## **8.7 PROCEDURE FOR THE TERMINATION OF THE FUND AND/OR ITS CLASS(ES)**

Upon the termination of the Fund, the Trustee shall:

- a) sell all the Fund's assets then remaining in its hands and pay out of the Fund any liabilities of the Fund; such sale and payment shall be carried out and completed in such manner and within such period as the Trustee considers to be in the best interests of the Unit Holders; and
- b) from time to time distribute to the Unit Holders, in proportion to the number of Units held by them respectively:
  - (1) the net cash proceeds available for the purpose of such distribution and derived from the sale of the Fund's assets less any payments for liabilities of the Fund; and
  - (2) any available cash produce,

provided always that the Trustee shall not be bound, except in the case of final distribution, to distribute any of the moneys for the time being in his hands the amount of which is insufficient for payment to the Unit Holders of Ringgit Malaysia Fifty (50) sen or its equivalent currency denomination of the Class, if applicable, in respect of each Unit and provided also that the Trustee shall be entitled to retain out of any such moneys in his hands full provision for all costs, charges, taxes, expenses, claims and demands incurred, made or anticipated by the Trustee in connection with or arising out of the winding-up of the Fund and, out of the moneys so retained, to be indemnified against any such costs, charges, taxes, expenses, claims and demands; each of such distribution shall be made only against the production of such evidence as the Trustee may require of the title of the Unit Holder relating to the Units in respect of which the distribution is made.

In the event of the Fund being terminated,

- a) the Trustee shall be at liberty to call upon the Manager to grant the Trustee, and the Manager shall so grant, a full and complete release from the Deed;
- b) the Manager and the Trustee shall notify the relevant authorities in such manner as may be prescribed by any relevant law; and

- c) the Manager or the Trustee shall notify the Unit Holders in such manner as may be prescribed by any relevant law.

Where the termination and the winding-up of the Fund has been occasioned by any of the events set out below:

- a) if the Manager has gone into liquidation, except for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee and the relevant authorities;
- b) if, in the opinion of the Trustee, the Manager has ceased to carry on business; or
- c) if, in the opinion of the Trustee, the Manager has to the prejudice of Unit Holders failed to comply with the provisions of the Deed or contravened any of the provisions of any relevant law,

the Trustee shall also arrange for a final review and audit of the final accounts of the Fund by the auditor of the Fund; in all other cases of termination and winding-up of the Fund, such final review and audit by the auditor of the Fund shall be arranged by the Manager.

## **8.8 UNIT HOLDERS' MEETING**

A Unit Holders' meeting may be called by us, the Trustee and/or Unit Holders.

Where the Manager or the Trustee convenes a meeting, the notice of the time and place of the meeting and terms of resolution to be proposed at the meeting shall be given to the Unit Holders of the Fund or of a particular Class, as the case may be, in the following manner:

- a) by sending by post a notice of the proposed meeting at least fourteen (14) days or twenty-one (21) days, as the case may be, before the date of the proposed meeting, to each Unit Holder of the Fund or of a particular Class, as the case may be, at the Unit Holder's last known address or, in the case of joint holders, to the joint holder of the Fund or that Class, as the case may be, whose name stands first in our records at the joint holder's last known address; and
- b) by publishing, at least fourteen (14) days or twenty-one (21) days, as the case may be, before the date of the proposed meeting, an advertisement giving notice of the meeting in a national language newspaper published daily, and in one other newspaper as may be approved by the SC.

The Manager shall within twenty-one (21) days of receiving a direction from not less than fifty (50) or one-tenth (1/10) of all the Unit Holders of the Fund or of a particular Class, as the case may be, whichever is less, summon a meeting of the Unit Holders the Fund or of a particular Class, as the case may be, by:

- a) sending by post to each Unit Holders at his last known address or, in the case of joint holder, to the joint holder whose name stands first in our records at the joint holder's last known address at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders of the Fund or a particular Class, as the case may be;
- b) publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities; and
- c) specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting,

for the purpose of considering the most recent financial statements of the Fund, or for the purpose of requiring the retirement or removal of the Manager or the Trustee, or for



the purpose of giving to the Trustee such directions as the meeting thinks proper, or for the purpose of considering any other matter in relation to the Deed.

The quorum for a meeting of Unit Holders of the Fund or a Class, as the case may be, is five (5) Unit Holders, whether present in person or by proxy, however, if the Fund or a Class, as the case may be, has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders of the Fund or a Class, as the case may be, shall be two (2) Unit Holders, whether present or by proxy. If the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty-five per centum (25%) of the Units in circulation of the Fund or a Class, as the case may be, at the time of the meeting. If the Fund or a Class, as the case may be, has only one (1) remaining Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders of the Fund or a Class, as the case may be.

Every question arising at any Unit Holders' meeting shall be decided in the first instance by a show of hands unless a poll be demanded or, if it be a question which under the Deed requires a Special Resolution, a poll shall be taken. On a voting by show of hands every Unit Holder who is present in person or by proxy shall have one (1) vote notwithstanding that a Unit Holder may hold Units in different Class. Upon a voting by poll, the votes by every Unit Holder present in person or by proxy shall be proportionate to the value of Units held by him. In the case of joint holders, any one of such joint holders may vote either personally or by proxy, but if joint holders are present at any meeting either personally or by proxy, the joint holder whose name stands first in the register of Unit Holders shall alone be entitled to vote in respect thereof. The Manager must not exercise any voting rights in respect of the Units held by it or its nominees at any Unit Holders' meeting regardless of the party who requested the meeting and the matter or matters which are laid before the meeting.

## 9 RELATED-PARTY TRANSACTIONS AND CONFLICT OF INTEREST

Save for the transactions as disclosed below, the Manager is not aware of any existing or potential related-party-transactions involving the Fund, the Manager, promoters, vendors and/or persons connected to them:

<b>Nature of Transaction with the Manager</b>	<b>Name of Related Party</b>	<b>Relationship</b>
Providing internal audit and corporate secretarial services to the Manager.	Manulife Holdings Berhad (MHB)	The Manager is a wholly owned subsidiary of MHB.
Providing human resources services and other supporting services to the Manager.	Manulife Insurance (Malaysia) Berhad (MIB)	Both the Manager and MIB are within the same group of companies.
Providing investment back-office services to the Manager.	Manulife Data Services Inc. (MDSI)	Both the Manager and MDSI are within the same group of companies.
Providing fund management services to the Manager.	Manulife IM (US)	Both the Manager and Manulife IM (US) are within the same group of companies.
Providing fund management services to the Manager.	Manulife IM Limited	Both the Manager and Manulife IM Limited are within the same group of companies.

It is the Manager's policy that all transactions with any related parties are entered into in the normal course of business and have been established on terms and conditions that are at arm's length basis.

The Manager has in place policies and procedures to prevent and to deal with any conflict of interest situations that may arise such as the regular disclosure of securities dealing by all employees, directors and person(s) or members of the committee who carries out the oversight function of the Fund to the compliance unit for verification. In addition, there is adequate segregation of duties to ensure proper checks and balances are in place in the areas of fund management, sales administration and marketing.

Subject to any legal requirement, the Manager, or any related corporation of the Manager, or any officers or directors of any of them, may invest in the Fund. The directors of the Manager will receive no payments from the Fund other than distributions that they may receive as a result of investment in the Fund. No fees other than the ones set out in this Prospectus have been paid to any promoter of the Fund or the Manager for any purpose.

The Manager has also internal policies which regulates its employees' securities dealings.

### 9.1 ADVISERS

The tax adviser, Shariah Adviser and solicitor have confirmed that they have no existing/potential interest or conflict of interest or potential conflict of interest with the Manager or the Fund.

## 9.2 CROSS TRADE

Cross trade is defined as a buy and sell transaction of the same security between two or more clients'/funds' accounts managed by the Manager.

The Manager may conduct cross trades provided the following conditions imposed by the regulators are met:

- sales and purchase decisions are in the best interests of both funds' and/or clients' accounts;
- reason for such transactions is documented prior to execution of the trades;
- transactions are executed through a dealer or a financial institution on an arm's length and fair value basis; and
- the cross trade transactions are disclosed to both clients and/or investors of the fund(s).

The cross trade will be executed in accordance to the Manager's policy which is in line with the regulatory requirements, monitored by the compliance officer and reported to the person(s) or members of the committee undertaking the oversight function of the Fund. A compliance officer must verify that any cross trade undertaken by the fund management company complies with the requirement provided in paragraph 11.30 of the Guidelines on Compliance Function for Fund Management Companies.

Cross trades between the personal account of an employee of the Manager and the fund's/client's account or between the Manager's proprietary accounts and funds'/clients' accounts are strictly prohibited.

# 10 TAXATION OF THE FUND

9 April 2025

The Board of Directors  
Manulife Investment Management (M) Berhad  
13th Floor, Menara Manulife  
No. 6, Jalan Gelenggang  
Damansara Heights  
50490 Kuala Lumpur

Dear Sirs

## **Manulife Shariah Dynamic Leaders Fund Taxation of the Fund and Unit Holders**

1. This letter has been prepared for inclusion in the Prospectus in connection with the offer for sale of units in the Manulife Shariah Dynamic Leaders Fund (hereinafter referred to as “the Fund”).

The following is general information based on Malaysian tax law in force at the time of lodging the Prospectus with the Securities Commission Malaysia (“SC”) and investors should be aware that the tax law may change at any time. The application of tax law depends upon an investor’s individual circumstances. The information provided below does not constitute tax advice. The Manager therefore recommends that investors consult their tax adviser regarding the specific application of the tax law relating to their specific tax position.

## **2. Taxation of the Fund**

### **2.1. Income Tax**

As the Fund’s Trustee is a tax resident in Malaysia, the Fund is regarded as a tax resident in Malaysia. The taxation of the Fund is governed principally by Sections 61 and 63B of the Malaysian Income Tax Act, 1967 (“MITA”).

Pursuant to the Section 2(7) of MITA, any reference to interest shall apply, *mutatis mutandis*, to gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of Shariah. The effect of this is that any gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of Shariah, will be accorded the same tax treatment as if they were interest.

The income of the Fund in respect of dividends, interest or profits from deposits and other investment income (other than income which is exempt from tax) derived from or accruing in Malaysia or received in Malaysia from outside Malaysia is liable to income tax. The Fund may be receiving income such as exit fee which will be subject to tax at the prevailing tax rate applicable on the Fund. Section 61(1)(b) of MITA provides that gains arising from the realisation of investments shall be treated as income of the trust body of the trust as gains or profits from the disposal of a capital asset, provided that such gains are not related to real property as defined under the Real Property Gains Tax (“RPGT”) Act, 1976.

The income tax rate applicable to the Fund is 24%.

Tax exempt interest as listed in the Appendix attached received by the Fund are not subject to income tax

With effect from 1 January 2014, Malaysia has fully moved to a single-tier income tax system. The Fund is not liable to tax on any Malaysia sourced dividends paid, credited or distributed to the Fund under the single-tier tax system, where the company paying such dividend is not entitled to deduct tax under the MITA. The tax deductibility of other deductions by the Fund against such dividend income will be disregarded in ascertaining the chargeable income of the Fund.

In addition to the single-tier dividend that may be received by the Fund, the Fund may also receive Malaysian dividends which are tax exempt from investments in companies which had previously enjoyed or are currently enjoying various tax incentives provided under the laws of Malaysia. The Fund is not subject to income tax on such tax exempt dividend income.

The tax treatment of hedging instruments would depend on the particular hedging instruments entered into. Generally, any gain or loss relating to the principal portion will be treated as capital gain or loss. Gains or losses relating to the income portion would normally be treated as revenue gains or losses. The gain or loss on revaluation will only be taxed or claimed upon realisation. Any gain or loss on foreign exchange is treated as capital gain or loss if it arises from the revaluation of the principal portion of the investment.

Generally, income from distribution by the Malaysia Real Estate Investment Trusts ("REITs") will be received net of withholding tax of 10%. No further tax will be payable by the Fund on the distribution. Distribution from such income by the Fund will also not be subject to further tax in the hands of the Unit Holders.

Expenses being manager's remuneration, maintenance of register of Unit Holders, share registration expenses, secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage, which are not allowed under the general deduction rules, qualify for a special deduction at the minimum of 10% of such expenses pursuant to Section 63B of the MITA.

## **2.2. Foreign-Sourced Income**

The Fund may also receive interest, dividends, profits and other income from investments derived from sources outside of Malaysia. Prior to 1 January 2022, income arising from sources outside Malaysia and received in Malaysia was exempted from Malaysian income tax pursuant to Paragraph 28 of Schedule 6 of the MITA. Effective from 1 January 2022, Paragraph 28 of Schedule 6 of the MITA was amended to only exempt a non-resident person from foreign sourced income received in Malaysia.

Unit trusts funds with a trustee who is tax resident in Malaysia are considered tax residents of Malaysia and would not qualify for the exemption under the amended Paragraph 28 of Schedule 6 of the MITA.

The Ministry of Finance of Malaysia ("MoF") issued Income Tax (Exemption) (No. 5) Order 2022 [P.U.(A) 234/2022] and Income Tax (Exemption) (No. 6) Order 2022 [P.U.(A) 235/2022] both dated 19 July 2022 and took effect from 1 January 2022. Certain paragraphs of P.U.(A) 234/2022 and P.U.(A) 235/2022 have further been amended via Income Tax (Exemption) (No. 6) Order 2022 (Amendment) Order 2024 [P.U.(A) 157/2024] dated 12 June 2024 and Income Tax (Exemption) (No. 5) Order 2022 (Amendment) Order 2024 [P.U.(A) 451/2024] dated 24 December 2024. The above orders grant exemption on foreign sourced income as follows:

- Dividend income received by companies, limited liability partnerships and companies incorporated under the Labuan Companies Act 1990 which have made an election under Section 3A of the Labuan Business Activity Tax Act 1990 to be charged to tax in accordance with the MITA; and
- All types of foreign sourced income received by individuals, except for those carrying on a partnership business in Malaysia.

However, as the unit trust fund is not a “company”, “limited liability partnership” or “individual”, the above gazette orders do not apply to unit trust funds. As such, the income of the Fund which is received in Malaysia from outside Malaysia during the period 1 January 2022 until 30 June 2022 is subject to tax at the rate of 3% on gross foreign sourced income received in Malaysia. Foreign sourced income received in Malaysia from 1 July 2022 onwards will be taxed based on the prevailing income tax rate applicable to the Fund, i.e. 24%.

Qualifying unit trust shall be a unit trust resident in Malaysia managed by a management company but does not include a unit trust which is approved by the Securities Commission as REIT or Property Trust Fund listed on Bursa Malaysia.

The qualifying unit trust or the management company of the qualifying unit trust shall comply with the conditions imposed by the MoF as specified in the guidelines issued by the Inland Revenue Board of Malaysia (“IRBM”), which shall include the following conditions:-

- (a) the gross income has been subjected to tax at the minimum of 15% under the law of the territory which the income arises; or
- (b) the management company of the qualifying unit trust shall employ an adequate number of employees in Malaysia and incur an adequate amount of operating expenditure in Malaysia.

The foreign sourced income of the Fund may be subject to foreign tax in the country from which the income is derived. In the event that the Fund does not qualify for the above foreign sourced income exemption, pursuant to Schedule 7 of the MITA, where an income is chargeable to tax in Malaysia as well as in a foreign country, a relief shall be given by way of credit known as bilateral credit if the source country has a tax treaty with Malaysia where the foreign tax credit shall be set-off up to 100% of foreign tax suffered and unilateral credit if the source country does not have a tax treaty with Malaysia where the foreign tax credit shall be set-off up to 50% of foreign tax suffered. Please note that claiming of bilateral credit and unilateral credit is subject to the approval of the Inland Revenue Board upon review of the requisite supporting documentation.

## 2.3. Capital Gains Tax (“CGT”)

Based on the Finance (No. 2) Act 2023, effective 1 January 2024, CGT will be imposed on gains or profits from the disposal of capital assets. CGT exemption has been provided under the MITA except for the following:

- (i) disposal of unlisted shares of a company incorporated in Malaysia;
- (ii) disposal of shares under section 15C of MITA;
- (iii) disposal of capital assets situated outside Malaysia.

However, based on the Income Tax (Exemption)(No.7) Order 2023 and Income Tax (Exemption)(No.2) Order 2024, there is a 2-months (January 2024 and February

2024) exemption provided for disposal made on or after 1 January 2024 to 29 February 2024 in respect of disposal of shares in companies incorporated in Malaysia not listed on the stock exchange and disposal of shares under section 15C of MITA.

Following to the above, the IRBM has issued the Guidelines: Capital Gains Tax on Unlisted Shares dated 1 March 2024 (CGT Guidelines) [Available in Bahasa Malaysia only].

The Income Tax (Amendment) Act 2024 which takes effect from 21 May 2024 amended the definition of "capital assets" as follows:

- (a) movable or immovable property situated outside Malaysia including any rights or interests thereof; or
- (b) movable property situated in Malaysia which is a share of a company incorporated in Malaysia not listed on the stock exchange (including any rights or interests thereof) owned by a company, limited liability partnership, trust body or co-operative society.

Income Tax (Unit Trust) (Exemption) Order 2024 [P.U.(A) 249/2024] which takes effect from 1 January 2024 to 31 December 2028 exempts qualifying unit trust resident in Malaysia (excluding unit trust which is approved by the Securities Commission as a REIT or Property Trust Fund listed on Bursa Malaysia) from the payment of income tax in respect of any gains or profit received from the disposal of shares of a company incorporated in Malaysia which is not listed on the stock exchange and from the disposal of shares under section 15C of MITA.

Nevertheless, qualifying unit trust is required to comply with any requirement to submit any return or statement of accounts or to furnish any other information under the MITA.

### **Foreign Capital Asset**

The Income Tax (Exemption) (No. 3) Order 2024 [P.U.(A) 75/2024] provides that gains or profits from the disposal of foreign capital assets received in Malaysia by companies, limited liability partnerships, trust bodies, and co-operative societies resident in Malaysia, which are compliance according to the economic substance requirements ("ESR"), are given exemption from CGT from 1 January 2024 to 31 December 2026, was gazetted on 4 March 2024.

According to the P.U.(A) 75/2024, the ESR condition is subject to compliance with the conditions imposed by the Minister as specified in the Guideline on Tax Treatment on Gains From the Disposal of Foreign Capital Assets Received from Outside Malaysia. The ESR for the CGT exemption includes the following:

- (a) employ adequate number of employees with necessary qualifications to carry out the specified economic activities in Malaysia; and
- (b) incur adequate amount of operating expenditure for carrying out the specified economic activities in Malaysia.

Any deduction in relation to the gains or profits exempted from CGT shall be disregarded for the purpose of ascertaining the chargeable income of the company, limited liability partnership, trust body, and co-operative society.

It is worth noting that P.U.(A) 250/2024 outlined under 2.2 above exempts all sources of income under section 4 of the MITA which is received in Malaysia from outside Malaysia which should include gains from the disposal of foreign capital assets.

In the event that the Fund does not qualify for the above CGT exemptions, the applicable CGT rates are outlined as follows:-

Type of capital asset	CGT Rate
Unlisted Shares and Section 15C Shares acquired before 1 January 2024	<ul style="list-style-type: none"> <li>• 10% on chargeable income from disposal of unlisted shares and Section 15C shares; or</li> <li>• 2% of gross disposal price</li> </ul>
Unlisted Shares and Section 15C Shares acquired on or after 1 January 2024	10% on chargeable income from disposal of unlisted shares and Section 15C shares
Foreign capital asset	Prevailing rate for the company, limited liability partnership, trust body or co-operative society

The Fund is required to electronically file the tax returns within 60 days from the date of each disposal. The CGT will be paid within 60 days from the date of disposal. The Fund is required to keep the records of the disposal for 7 years.

## 2.4. Gains on Disposal of Investments

Prior to 1 January 2024, gains on disposal of investments by the Fund, where the investments represent shares in real property companies, may be subject to RPGT under the RPGT Act, 1976. A real property company is a controlled company which owns or acquires real properties or shares in real property companies with a market value of not less than 75% of its total tangible assets. A controlled company is a company which does not have more than 50 members and is controlled by not more than 5 persons.

However, based on the Finance (No.2) Act 2023, gains from disposal of real property company shares which are held by a company, limited liability partnership, trust body or co-operative society will no longer be subject to RPGT effective 1 January 2024. Disposal of other real properties will still be subject to RPGT Act, 1976.

## 2.5. Service Tax

The issuance of units by the Fund to investors will not be subject to Service Tax. Any distributions made by the Fund to unitholders are also not subject to Service Tax. For management fees, this specifically excludes fees charged by any person who is licensed or registered with the Securities Commission for carrying out the regulated activity of fund management under the Capital Markets and Services Act 2007.

To the extent that the Fund invests in any financial services products (e.g. securities, derivatives, units in a fund or unit trust), the acquisition of these interests will also not be subject to Service Tax.

If the Fund acquires any imported taxable services from a service provider outside of Malaysia, these services would be subject to 6% Service Tax. However, effective from 1 March 2024, in accordance with the provisions of subsection 10(2) Service Tax Act 2018, the service tax for the above services would be subject to service tax



at 8%. The Fund would be required to file an SST-02A return on an ad hoc basis and report and pay this amount of tax to the Royal Malaysian Customs Department.

### 3. Taxation of Unit Holders

#### 3.1. Taxable Distribution

Unit Holders will be taxed on an amount equivalent to their share of the total taxable income of the Fund to the extent such income is distributed to them. Unit Holders are also liable to pay income tax on the taxable income distributions paid by the Fund. Taxable income distributions carry a tax credit in respect of the tax chargeable on that part of the Fund. Unit Holders will be subject to tax on an amount equal to the net taxable income distribution plus attributable underlying tax paid by the Fund. No withholding tax will be imposed on the income distribution of the Fund.

Income distributed to Unit Holders is generally taxable as follows in Malaysia:-

Unit Holders	Malaysian Tax Rates for Year of Assessment 2024
<p>Malaysian tax residents:</p> <ul style="list-style-type: none"> <li>▪ Individual and non-corporate Unit Holders</li> <li>▪ Co-operative societies</li> <li>▪ Trust bodies</li> <li>▪ Corporate Unit Holders <ul style="list-style-type: none"> <li>i. A company* with paid up capital in respect of ordinary shares of not more than RM2.5 million where the paid up capital in respect of ordinary shares of other companies within the same group as such company is not more than RM2.5 million (at the beginning of the basis period for a year of assessment) and having gross income from source or sources consisting of a business of not more than RM50 million for the basis period of a year assessment</li> <li>ii. Companies other than those in (i) above</li> </ul> </li> </ul> <p>Non-Malaysian tax residents:</p> <ul style="list-style-type: none"> <li>▪ Individual and non-corporate Unit Holders</li> <li>▪ Co-operative societies</li> </ul>	<ul style="list-style-type: none"> <li>▪ Progressive tax rates ranging from 0% to 30%</li> <li>▪ Progressive tax rates ranging from 0% to 24%</li> <li>▪ 24%</li> <li>▪ 15% for every first RM150,000 of chargeable income</li> <li>▪ 17% for chargeable income of RM150,001 to RM600,000</li> <li>▪ 24% for chargeable income in excess of RM600,000</li> </ul> <p>* Based on the Finance (No.2) Act 2023, if a company's paid-up capital is owned (directly or indirectly) by companies incorporated outside Malaysia or non-Malaysian citizens, then the company is not entitled to the preferential tax rates above.</p> <ul style="list-style-type: none"> <li>▪ 24%</li> <li>▪ 30%</li> <li>▪ 24%</li> </ul>

The tax credit that is attributable to the income distributed to the Unit Holders will be available for set off against tax payable by the Unit Holders. There is no withholding tax on taxable distributions made to non-resident Unit Holders.

Non-resident Unit Holders may also be subject to tax in their respective jurisdictions and depending on the provisions of the relevant tax legislation and any double tax treaties with Malaysia, the Malaysian tax suffered may be creditable in the foreign tax jurisdictions.

### 3.2. Withholding Tax on Distribution from Retail Money Market Fund (“RMMF”) to Unit Holders

Distribution of income of a unit trust fund that is a RMMF to its Unit Holders (other than the distribution of interest income to non-individual Unit Holders) is exempted from tax in the hands of the Unit Holders. Non-individual Unit Holders will be chargeable to tax on the income distributed to the Unit Holder from the interest income of a RMMF exempted under Paragraph 35A of Schedule 6 of the MITA with effect from 1 January 2022 as follows:-

Types of Unit Holders	Malaysian Tax Rates for Year of Assessment 2022
<p>Non-individual residents:</p> <ul style="list-style-type: none"> <li>Withholding tax rate</li> <li>Withholding tax mechanism</li> <li>Due date of payment</li> </ul> <p>Non-individual non-residents:</p> <ul style="list-style-type: none"> <li>Withholding tax rate</li> <li>Withholding tax mechanism</li> <li>Due date of payment</li> </ul>	<ul style="list-style-type: none"> <li>24%</li> <li>Income distribution carries a tax credit, which can be utilised to set off against the tax payable by the Unit Holders</li> <li>The withholding tax is to be remitted to the Director General of Malaysian Inland Revenue within one month of the distribution of interest income</li> <li>24%</li> <li>Withholding tax deducted will be regarded as a final tax</li> <li>The withholding tax is to be remitted to the Director General of Malaysian Inland Revenue within one month of the distribution of interest income</li> </ul>

As the Fund is not a RMMF, the above withholding tax on distribution of interest income that is exempted under Paragraph 35A of Schedule 6 of the MITA will not be applicable to the non-individual Unit Holders of the Fund.

### 3.3. Tax Exempt Distribution

Tax exempt distributions made out of exempt income earned by the Fund will not be subject to Malaysian tax in the hands of Unit Holders, whether individual or corporate, resident or non-resident. All Unit Holders do not pay tax on that portion of their income distribution from the Fund’s distribution equalisation account.

### **3.4. Distribution Voucher**

To help complete a Unit Holder's tax returns, the Manager will send to each Unit Holder a distribution voucher as and when distributions are made. This sets out the various components of the income distributed and the amount of attributable income tax already paid by the Fund.

### **3.5. Sale, Transfer or Redemption of Units**

Currently, any gains realised by a Unit Holder on the sale, transfer or redemption of his units are generally tax-free capital gains unless the Unit Holder is an insurance company, a financial institution or a person trading or dealing in securities. Generally, the gains realised by these categories of Unit Holders constitute business income on which tax is chargeable. Unit Holders should consult their respective tax advisors based on their own tax profiles to determine whether the gain from sale, transfer or redemption of units would qualify as capital gains or trading gains.

### **3.6. Reinvestment of Distribution**

Unit Holders who receive their income distribution by way of investment in the form of the purchase of new units will be deemed to have received their income distribution and reinvested that amount in the Fund.

### **3.7. Unit Splits**

Unit splits issued by the Fund are not taxable in the hands of the Unit Holders.

### **3.8. Service Tax**

Pursuant to the Lampiran A of the First Schedule of the Service Tax Regulations 2018 ("First Schedule"), only taxable services listed in the First Schedule are subject to service tax. Investment income or gains received by the Unit Holder are not prescribed taxable services and hence, not subject to Service Tax.

Currently, the legal fees, consultant fees and management fees may be subject to service tax at 6% if the service providers are registered for Services Tax. Effective from 1 March 2024, in accordance with the provisions of subsection 10(2) Service Tax Act 2018, the aforementioned services would be subject to service tax at 8%.

We hereby confirm that the statements made in this tax adviser letter correctly reflect our understanding and the interpretation of the current Malaysian tax legislations and the related interpretation and practice thereof, all of which may subject to change. Our comments above are general in nature and cover taxation in the context of Malaysian tax legislation only and do not cover foreign tax legislation. The comments do not represent specific tax advice to any investors and we recommend that investors obtain independent advice on the tax issues associated with their investments in the Fund.

Yours faithfully



Toh Hong Peir  
Executive Director  
Deloitte Tax Services Sdn Bhd

## Tax Exempt Income of Unit Trusts

1. Interest or discount paid or credited to any individual, unit trust and listed closed-end fund in respect of the following will be exempt from tax:-
  - Securities or bonds issued or guaranteed by the Government; or
  - Debentures or sukuk, other than convertible loan stock, approved or authorized by, or lodged with, the SC; or
  - Bon Simpanan Malaysia issued by the Central Bank of Malaysia.
 [Para 35 of Schedule 6 of the MITA]
2. Income of a unit trust in respect of interest derived from Malaysia and paid or credited by any bank or financial institution licensed under the Financial Services Act 2013 ("FSA") or the Islamic Financial Services Act 2013 ("IFSA") or any development financial institution regulated under the Development Financial Institutions Act 2002 ("DFIA").  
  
 Provided that the exemption shall not apply to the interest paid or credited to a unit trust that is a wholesale fund which is a money market fund.  
 [Para 35A of Schedule 6 of the MITA]
3. Interest in respect of any savings certificates issued by the Government.  
 [Para 19 of Schedule 6 of the MITA]
4. Interest paid or credited to any person in respect of Sukuk originating from Malaysia, other than convertible loan stock, issued in any currency other than RM and approved or authorized by, or lodged with, the SC or approved by the Labuan Financial Services Authority.  
 [Para 33B of Schedule 6 of the MITA]
5. Interest received in respect of bonds and securities issued by Pengurusan Danaharta Nasional Berhad within and outside Malaysia.  
 [Income Tax (Exemption) (No. 5) Order 2001]
6. Interest income derived from bonds (other than convertible loan stocks) paid or credited by any company listed in Malaysia Exchange of Securities Dealing and Automated Quotation Berhad ("MESDAQ") (now known as Bursa Malaysia Securities Berhad ACE Market).  
 [Income Tax (Exemption) (No. 13) Order 2001]
7. Income derived from the Sukuk Issue which has been issued by the Malaysia Global Sukuk Inc. [Income Tax (Exemption) (No. 31) Order 2002]
8. Discount or profit received from the sale of bonds or securities issued by Pengurusan Danaharta Nasional Berhad or Danaharta Urus Sendirian Berhad within and outside Malaysia.  
 [Income Tax (Exemption) (No. 6) Order 2003]
9. Income derived from the Sukuk Ijarah, other than convertible loan stock, issued in any currency by 1Malaysia Sukuk Global Berhad.  
 [Income Tax (Exemption) Order 2010]
10. Gain or profit received from the investment in Islamic securities, other than convertible loan stock, which are issued in accordance with the principles of

*Mudharabah, Musyarakah, Ijarah, Istisna'* or any other principle approved by the Shariah Advisory Council established by the SC under the Capital Markets and Services Act 2007.

[Income Tax (Exemption) (No. 2) Order 2011]

11. Gains or profits in lieu of interest, derived from the Sukuk Wakala in accordance with the principle of *Al- Wakala Bil Istithmar*, other than a convertible loan stock, issued in any currency by Wakala Global Sukuk Berhad.  
[Income Tax (Exemption) (No. 4) Order 2011]
12. Income derived from Sukuk Kijang is exempted from the payment of income tax pursuant to Income Tax (Exemption) (No. 10) Order 2013. For the purpose of this order, "Sukuk Kijang" means the Islamic Securities of nominal value of up to two hundred and fifty million United States dollars (USD\$250,000,000) issued or to be issued in accordance with the Shariah principle of Ijarah by BNM Kijang Berhad.  
[Income Tax (Exemption) (No. 10) Order 2013]
13. Gains or profits derived, in lieu of interest, derived from the Sukuk Wakala with the nominal value up to one billion and five hundred million United States Dollar (USD1,500,000,000.00) in accordance with the principle of *Wakala Bil Istithmar*, other than a convertible loan stock, issued by the Malaysia Sovereign Sukuk Berhad. [Income Tax (Exemption) (No. 3) Order 2015]
14. Gains or profits derived, in lieu of interest from the Sukuk Wakala with the nominal value up to one billion and five hundred million United States Dollar (US\$1,500,000,000.00) in accordance with the principle of *Wakala*, other than a convertible loan stock, issued by the Malaysia Sukuk Global Berhad (formerly known as 1Malaysia Sukuk Global Berhad).  
[Income Tax (Exemption) (No. 2) Order 2016]

# 11 STATEMENT OF CONSENT

The consent of the Trustee, the Fund Managers and the Shariah Adviser to the inclusion in this Prospectus of their names in the manner and context in which such names appear, have been given before the issuance of this Prospectus and have not subsequently been withdrawn.

The consent of the tax adviser to the inclusion in this Prospectus of its name, and the Tax Adviser’s Letter in the manner, context and form in which such name and letter appear, have been given before the issuance of this Prospectus and have not subsequently been withdrawn.

## 12 ADDITIONAL INFORMATION

### **Keep abreast of fund developments**

Unit Holders can keep abreast of developments in the Fund and monitor the NAV per Unit of their investments by referring to the Manager's website at [www.manulifeim.com.my](http://www.manulifeim.com.my).

### **Avenue for advice**

Unit Holders may seek clarification on their investments from the Manager's Customer Service personnel at 03-2719 9271 from 8.45 a.m. to 5.30 p.m. Inquiries can also be made through our e-mail at [MYCustomerService@manulife.com](mailto:MYCustomerService@manulife.com). Alternatively, Unit Holders may visit the Manager's office at 13th Floor, Menara Manulife, 6, Jalan Gelenggang, Damansara Heights, 50490 Kuala Lumpur.

### **Statements and annual/semi-annual reports**

Confirmation of investment statements detailing Unit Holders' investment will be sent within ten (10) Business Days from the date monies are received by the Manager for investment in the Fund. This confirmation will include details of the Units purchased and the purchase price.

The Fund's annual and semi-annual reports will be made available in the Manager's website at [www.manulifeim.com.my](http://www.manulifeim.com.my). The annual report will be available within two (2) months of the Fund's financial year end and the semi-annual report within two (2) months from the end of the period covered. i.e. for a financial year/period ending 31 July, the annual/semi-annual report will be available by end of September.

**The Fund's annual report is available upon request.**

## 12.1 ANTI-MONEY LAUNDERING POLICIES AND PROCEDURES

In order to comply with the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (as may be amended from time to time) and the relevant policies, procedures, guidelines and/or regulations aimed at the prevention of money laundering, the Manager will be required to obtain satisfactory evidence of customer's identity and have effective procedures for verifying the information of customers. The Manager conducts ongoing due diligence and scrutinises its customers' identity and their investment objective which may be undertaken throughout the course of the business relationship to ensure that the transactions being conducted are consistent with the Manager's knowledge of its customers, their business and their risk profile.

The Manager also reserves the right to request such information as is necessary to verify the source of the payment. The Manager may refuse to accept the application and the subscription monies if an applicant delays in producing or fails to produce any information required for the purposes of verification of identity or source of funds.

A transaction or a series of transactions shall be considered as 'suspicious' if the transaction in question is inconsistent with the customer's known transaction profile or does not make economic sense. Suspicious transactions shall be submitted directly to the Financial Intelligence and Enforcement Department of BNM.

### **13 DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents or copies thereof are available for inspection, without charge at the Manager's registered office or such other place as may be determined by the SC:

- (a) the Deed and supplemental deeds;
- (b) this Prospectus and supplementary or replacement prospectus (if any);
- (c) the latest annual and semi-annual reports of the Fund;
- (d) each material contract disclosed in this Prospectus and, in the case of a contract not reduced into writing, a memorandum which gives full particulars of the contract (if any);
- (e) where applicable, the audited financial statements of the management company and the Fund for the current financial year and for the last three (3) financial years; or if less than three (3) years, from the date of incorporation or commencement;
- (f) any report, letter or other document, valuation and statement by an expert, any part of which is extracted or referred to in this Prospectus. Where a summary expert's report is included in this Prospectus, the corresponding full expert's report shall be made available for inspection;
- (g) writ and relevant cause papers for all material litigation and arbitration disclosed in this Prospectus (if any); and
- (h) consent given by an expert disclosed in this Prospectus.



# DISTRIBUTION CHANNEL AND OFFICES

## HEAD OFFICE

13th Floor, Menara Manulife  
No. 6, Jalan Gelenggang  
Damansara Heights  
50490 Kuala Lumpur.  
Tel : 03-2719 9228  
Fax : 03-2094 7654  
Customer Service Hotline: 03-2719 9271  
Email : [MY\\_CustomerService@manulife.com](mailto:MY_CustomerService@manulife.com)  
Website : [www.manulifeim.com.my](http://www.manulifeim.com.my)

## BRANCH OFFICES – West Malaysia

### Kuala Lumpur

2nd Floor, Menara  
Manulife  
No. 6, Jalan Gelenggang  
Damansara Heights  
50490 Kuala Lumpur.  
Tel : 03-2719 9204

### Shah Alam

30-1, Block 5  
Jalan Setia Prima (S)  
U13/S  
Setia Alam, Seksyen U13  
40170 Shah Alam  
Selangor Darul Ehsan.  
Tel : 03-3362 6668  
Fax : 03-3362 6662

### Ipoh

3rd Floor, No. 2C  
Pusat Perdagangan  
Canning 2  
Pusat Perdagangan  
Canning  
31400 Ipoh, Perak.  
Tel : 05-541 6839  
Fax : 05-541 6627

### Johor Bahru

No. 1-01  
Jalan Setia Tropika 1/15  
Taman Setia Tropika  
81200 Johor Bahru,  
Johor.  
Tel : 07-234 5871  
Fax : 07-234 4620

### Dataran Sunway

26-2 & 28-2, Jalan PJU 5/8  
Dataran Sunway  
Kota Damansara  
47810 Petaling Jaya  
Selangor Darul Ehsan.  
Tel : 03-6140 8101/8102  
Fax : 03-6140 8103

### Sungai Petani

Lot 88, No. 17, 2nd Floor  
Jalan Perdana Heights 2/2  
Perdana Heights  
08000 Sg Petani, Kedah.  
Tel : 04-423 3233  
Fax : 04-423 3233

### Seremban

160-2, Taipan Senawang  
Jalan Taman Komersil  
Senawang 1  
Taman Komersil Senawang  
70450 Seremban  
Negeri Sembilan.  
Tel : 06-671 5019  
Fax : 06-678 0016

### Kota Bharu

1st Floor, Lot 10900  
Wisma Seri Setia  
Jalan Dusun Muda, Sek 26  
15200 Kota Bharu, Kelantan.  
Tel : 09-747 2388  
Fax : 09-747 2588

### Klang

No. 3-1 & 3-2  
Jalan Mahogani 5/KS7  
Bandar Botanic  
41200 Klang  
Selangor Darul Ehsan.  
Tel : 03-3318 6088  
Fax : 03-3318 4011

### Penang

1-2-18, Elit Avenue  
Jalan Mayang Pasir 3  
11950 Bayan Baru, Penang.  
Tel : 04-611 9944/  
: 04-618 0044  
Fax : 04-618 0505

### Melaka

No. 87-1 & 87-2  
Jalan Melaka Raya 25  
Taman Melaka Raya 1  
75000 Melaka.  
Tel : 06-281 3866  
Fax : 06-282 0587

## BRANCH OFFICES – East Malaysia

### **Kota Kinabalu**

Lot J-55-2, Block J, 2nd Floor  
Signature Office, KK Times Square  
Off Jalan Coastal Highway  
88100 Kota Kinabalu, Sabah.  
Tel : 088-486 671/672  
Fax : 088-486 670

### **Sandakan**

Taman Nasalim Shoplot  
Lot 33, 1st Floor, Phase 7A  
Jalan Lintas Utara  
90000 Sandakan, Sabah.  
Tel : 089-220 220 /  
: 089-229 045  
Fax : 089-226 868

### **Kuching**

No. 63 & 65, 2nd Floor  
Jalan Tun Jugah  
93350 Kuching, Sarawak.  
Tel : 082-593 380  
Fax : 082-593 382

### **Miri**

Lot 3554, 1st & 2nd Floor  
Block 5 MCLD, Jalan Miri Pujut  
101 Commercial Centre  
98000 Miri, Sarawak.  
Tel : 085-325 770  
Fax : 085-326 262

### **Sibu**

No. 1 & 3, 1st Floor, Lorong  
1 Jalan Tun Abang Haji Openg  
96000 Sibu, Sarawak.  
Tel : 084-320 469  
Fax : 084-320 476

### **Bintulu**

No. 2, Lot 3288, 1st Floor  
Parkcity Commerce Square  
Jalan Tun Ahmad Zaidi  
97000 Bintulu, Sarawak.  
Tel : 086-343 288  
Fax : 086-343 289

Please refer to <https://www.manulifeim.com.my/about-us/branch-network.html> for the latest update on our branch network.



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