THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM DATED 2 JANUARY 2024 IS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 11 FEBUARY 2020 AND THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 10 AUGUST 2023.

SECOND SUPPLEMENTAL INFORMATION MEMORANDUM IN RESPECT OF

Manulife Global Emerging Markets Multi-Asset Income Fund

This Second Supplemental Information Memorandum is dated 2 January 2024.

Manulife Global Emerging Markets Multi-Asset Income Fund was constituted on 12 December 2018.

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

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

IMPORTANT NOTES:
MANULIFE GLOBAL EMERGING MARKETS MULTI-ASSET INCOME FUND ("THE FUND") IS A WHOLESALE FUND. THE ISSUE, OFFER OR INVITATION TO SUBSCRIBE OR PURCHASE UNITS OF THE FUND IS EXCLUSIVELY FOR SOPHISTICATED INVESTORS ONLY.

SOPHISTICATED INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THE INFORMATION MEMORANDUM, THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM AND THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM DATED 2 JANUARY 2024 IS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 11 FEBUARY 2020 AND THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 10 AUGUST 2023.

RESPONSIBILITY STATEMENTS

This Second Supplemental Information Memorandum 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 omissions of other facts which would make any statement in this Second Supplemental Information Memorandum false or misleading.

STATEMENTS OF DISCLAIMER

The Securities Commission Malaysia has not authorised or recognised the Fund and a copy of the Information Memorandum dated 11 February 2020 ("Information Memorandum"), the First Supplemental Information Memorandum dated 10 August 2023 ("First Supplemental Information Memorandum") and this Second Supplemental Information Memorandum (hereinafter collectively referred to as "Information Memorandums") have not been registered with the Securities Commission Malaysia.

The lodgement of the Information Memorandums 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 the Information Memorandums.

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 the Information Memorandums. The Securities Commission Malaysia makes no representation on the accuracy or completeness of the Information Memorandums, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of their contents.

ADDITIONAL STATEMENTS

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

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

THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM DATED 2 JANUARY 2024 IS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 11 FEBUARY 2020 AND THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 10 AUGUST 2023.

Unless otherwise provided in this Second Supplemental Information Memorandum dated 2 January 2024 ("Second Supplemental Information Memorandum"), all capitalized terms used herein shall have the same meaning as ascribed to them in the Information Memorandums.

EXPLANATORY NOTE

This Second Supplemental Information Memorandum has been issued to inform prospective Unit Holders of the following:

- an update to the Statements of Disclaimer (please refer to page 1 of this Second Supplemental Information Memorandum);
- an update to the investment limits and restrictions of the Fund;
- inclusion of information on the designated fund manager of the Fund;
- inclusion of information on the rights and liabilities of Unit Holders;
- inclusion of information on the termination of the Fund and/or its Class(es); and
- other general and administrative updates.

1. <u>DEFINITION</u>

Pages 4 and page 6 of the Information Memorandum and Page 3 of the First Supplemental Information Memorandum

The definitions of "**Deed**" and "**Special Resolution**" are hereby deleted and replaced with the following:

Deed	means the master deed dated 9 February 2018, the first supplemental master deed dated 12 December 2018, the second supplemental master deed dated 25 September 2019, the third supplemental master deed dated 20 January 2020, the fourth supplemental master deed dated 9 July 2021, the fifth supplemental master deed dated 31 March 2023, the sixth supplemental master deed dated 14 December 2023 and subsequent supplemental deeds (if any) entered into between the Manager and the Trustee in relation to the Fund.
Special Resolution	means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority of not less than three-fourths (3/4) of the Unit Holders present and voting at the meeting in person or by proxy; for the avoidance of doubt, "three-fourths (3/4) of the Unit Holders present and voting at the meeting 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.

THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM DATED 2 JANUARY 2024 IS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 11 FEBUARY 2020 AND THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 10 AUGUST 2023.

2. CHAPTER 1: THE FUND

Page 26 of the Information Memorandum and Page 11 of the First Supplemental Information Memorandum – 1.3. OTHER INFORMATION

The information on "**Investment Limits and Restrictions**" and "**List of Deeds**" under this section are hereby deleted and replaced with the following:

Investment Limits and Restrictions	• The Fund will not hold more than 15% of its NAV in liquid assets such as cash, money market instruments (including fixed income securities which have a remaining maturity period of less than 365 days), placement of deposits with financial institutions for liquidity purposes, and/ or derivative for hedging purposes; and • The Fund will not invest in a fund-of-funds, feeder fund and any sub-fund of an umbrella scheme which is a fund-of-funds or a feeder fund.
List of Deeds	Master deed dated 9 February 2018, first supplemental master deed dated 12 December 2018, second supplemental master deed dated 25 September 2019, third supplemental master deed dated 20 January 2020, fourth supplemental master deed dated 9 July 2021, fifth supplemental master deed dated 31 March 2023 and sixth supplemental master deed dated 14 December 2023.

3. CHAPTER 5: THE MANAGEMENT COMPANY

Page 49 of the Information Memorandum and Page 18 of First Supplemental Information Memorandum – 5.3. Other Information

This section is hereby deleted and replaced with the following:

5.3. Fund Management Function

Ms. Lim Chwee Mee is the designated fund manager for the Fund. She has more than 16 years of experience in the fund management industry, where she was involved in fund management, portfolio analytics, quantitative strategies and product development. Ms. Lim holds a Master of Business Administration degree from University of Central Oklahoma. She also holds the Capital Markets and Services Representative Licence in fund management.

Further information on the Manager, board of directors and investment team is provided in our website at www.manulifeim.com.my.

4. CHAPTER 8: ADDITIONAL INFORMATION

Page 55 of the Information Memorandum – 8.2. Rights and Liabilities of Unit Holders

Section 8.2. is hereby inserted after Section 8.1.:

THIS SECOND SUPPLEMENTAL INFORMATION MEMORANDUM DATED 2 JANUARY 2024 IS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 11 FEBUARY 2020 AND THE FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 10 AUGUST 2023.

8.2. Rights and Liabilities of Unit Holders

Rights of Unit Holders

A Unit Holder has the rights, among others, to the following:
- to receive distributions of income (if any), participate in any increase in the value of the Units, and such other rights and privileges as provided for in the Deed, the Act, SC's requirements and other relevant laws;
- to receive annual and quarterly reports of the Fund; and
- to call for Unit Holders' meetings and to vote for the removal of the Manager or the Trustee through a Special Resolution.

However, a Unit Holder must not:
- interfere with any rights or powers of the Manager and/or the Trustee under the Deed; or
- exercise a right in respect of an asset of the Fund or lodge a caveat or other notice affecting the asset of the Fund or otherwise claim any interest in an asset of the Fund.

Note: 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 (for example, 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).

Liabilities of Unit Holders

The liability if a Unit Holder is limited to the purchase price paid or agreed to be paid for a Unit. A Unit Holder need not indemnify the Trustee or the Manager if there is a deficiency in the assets of the Fund to meet the claim of any creditor of the Trustee or the Manager in respect of that Class. The Unit Holders of one Class will not be liable for any liabilities of the other Classes.

Page 55 of the Information Memorandum – 8.3. Termination of the Fund and/or its Class(es)

Section 8.3. is hereby inserted after Section 8.2.:

8.3. Termination of the Fund and/or its Class(es)

The Fund and/or any of the Class may be terminated or wound-up without the need to seek Unit Holders' prior approval as proposed by the Manager with the consent of the Trustee (whose consent shall not be unreasonably withheld) upon the occurrence of any of the following events, by giving not less than one (1) month's notice in writing to the Unit Holders as hereinafter provided if:

(i) any law shall be passed which renders the Fund and/or any of the Class illegal; or

(ii) in the reasonable opinion of the Manager it is impracticable or inadvisable to continue the Fund or Class, as the case may be and the termination of the Fund or Class, as the case may be, is in the best interest of the Unit Holders of the Fund or Class.

THIS FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 10 AUGUST 2023 IS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 11 FEBRUARY 2020.

FIRST SUPPLEMENTAL INFORMATION MEMORANDUM IN RESPECT OF

Manulife Global Emerging Markets Multi-Asset Income Fund

This First Supplemental Information Memorandum is dated 10 August 2023.

Manulife Global Emerging Markets Multi-Asset Income Fund was constituted on 12 December 2018.

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

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

IMPORTANT NOTES:
MANULIFE GLOBAL EMERGING MARKETS MULTI-ASSET INCOME FUND ("THE FUND") IS A WHOLESALE FUND. THE ISSUE, OFFER OR INVITATION TO SUBSCRIBE OR PURCHASE UNITS OF THE FUND IS EXCLUSIVELY FOR SOPHISTICATED INVESTORS ONLY.

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

THIS FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 10 AUGUST 2023 IS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 11 FEBRUARY 2020.

RESPONSIBILITY STATEMENTS

This First Supplemental Information Memorandum 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 First Supplemental Information Memorandum false or misleading.

STATEMENTS OF DISCLAIMER

A copy of this First Supplemental Information Memorandum has been lodged with the Securities Commission Malaysia. The Securities Commission Malaysia will not be 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 the Information Memorandum and this First Supplemental Information Memorandum. The Securities Commission Malaysia makes no representation on the accuracy or completeness of the Information Memorandum and this First Supplemental Information Memorandum, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of their contents.

ADDITIONAL STATEMENTS

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

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

THIS FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 10 AUGUST 2023 IS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 11 FEBRUARY 2020.

Unless otherwise provided in this First Supplemental Information Memorandum dated 10 August 2023 ("First Supplemental Information Memorandum"), all capitalized terms used herein shall have the same meaning as ascribed to them in the Information Memorandum dated 11 February 2020 ("Information Memorandum").

EXPLANATORY NOTE

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

- the Fund is not offered for sale to US persons;
- update to the definitions of the Deed, Information Memorandum, SC, Sophisticated Investor(s) and Wholesale Fund;
- the change to the Manager's website from www.manulifeinvestment.com.my to www.manulifeim.com.my, where it appears in the Information Memorandum;
- an update to the corporate information of the Trustee and the Trustee's delegate;
- the change to the asset allocation of the Fund;
- inclusion of Suspension/deferment of Redemption Risk and Risk Considerations for Investing in Derivatives;
- update to the information on Withholding Tax Risk;
- an update to the Specific Risks, the information on the Management Company of the Target Fund, the Investment Objective and Strategy, the Risk Management and the Permitted Investments and Restrictions and the inclusion on Securities Lending for the Target Fund;
- update to the expenses that may be charged to the Fund;
- update to disclosure on Policy on Rebates and Soft Commissions, Incorrect Pricing, Information on Purchasing and Redeeming Units, Valuation Point and Valuation Basis;
- removal of facsimile as the mode of communication;
- update to the related party transaction and conflict of interest;
- removal of investment committee to be replaced with committee undertaking the oversight function of the Fund;
- update to the cooling off disclosure; and
- other general and administrative updates.

1. ADDITIONAL STATEMENTS

Page 1 of the Information Memorandum

The following disclosure is hereby included at the end of the section:

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

2. DEFINITION

Pages 4 to 7 of the Information Memorandum

i. The definitions of "**Information Memorandum**", "**SC**", "**Sophisticated Investor(s)**" and "**Wholesale Fund**" are hereby deleted and replaced with the following:

Deed	means the Master Deed dated 9 February 2018, First Supplemental Master Deed dated 12 December 2018, Second Supplemental Master Deed dated 25 September 2019, Third Supplemental Master Deed dated 20 January 2020, Fourth Supplemental Master Deed dated 9 July 2021 and subsequent supplemental deeds (if any) entered into between the Manager and the Trustee in relation to the Fund.
Information Memorandum	means the Fund's information memorandum dated 11 February 2020 including any other supplemental information memorandum issued subsequently.
SC	means the Securities Commission Malaysia established under the Securities Commission Malaysia Act 1993.
Sophisticated Investor(s)	refers to: 1. a unit trust scheme, private retirement scheme or prescribed investment scheme; 2. Central Bank of Malaysia; 3. a licensed person or a registered person; 4. an exchange holding company, a stock exchange, a derivatives exchange, an approved clearing house, a central depository or a recognised market operator; 5. a corporation that is licensed, registered or approved to carry on any regulated activity or capital market services by an authority in Labuan or outside Malaysia which exercises functions corresponding to the functions of the SC; 6. a bank licensee or an insurance licensee as defined under the Labuan Financial Services and Securities Act 2010; 7. an Islamic bank licensee or a takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010; 8. a chief executive officer or a director of any person referred to in paragraphs 3, 4, 5, 6 and 7 above; 9. a closed-end fund approved by the SC; 10. a company that is registered as a trust company under the Trust Companies Act 1949 and has assets under its management exceeding RM 10 million or its equivalent in foreign currencies;

	11. a corporation that is a public company under the Companies Act 2016 which is approved by the SC to be a trustee under the CMSA and has assets under its management, exceeding RM 10 million or its equivalent in foreign currencies; 12. a corporation that is carrying on the regulated activity of fund management solely for the benefit of its related corporations and has assets under its management exceeding RM 10 million or its equivalent in foreign currencies; 13. a corporation with total net assets exceeding RM 10 million or its equivalent in foreign currencies based on the last audited accounts; 14. a partnership with total net assets exceeding RM 10 million or its equivalent in foreign currencies; 15. a statutory body established under any laws unless otherwise determined by the SC; 16. a pension fund approved by the Director General of Inland Revenue under the Income Tax Act 1967; 17. an individual whose total net personal assets, or total net joint assets with his or her spouse, exceeding RM 3 million or its equivalent in foreign currencies, excluding the value of the individual's primary residence; 18. an individual who has a gross annual income exceeding RM 300,000 or its equivalent in foreign currencies in the preceding 12 months; 19. an individual who, jointly with his or her spouse, has a gross annual income exceeding RM 400,000 or its equivalent in foreign currencies in the preceding 12 months; 20. an individual whose total net personal investment portfolio or total net joint investment portfolio with his or her spouse, in any capital market products exceeding RM 1 million or its equivalent in foreign currencies; 21. an individual who acquires unlisted capital market products where the consideration is not less than RM250,000 or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise; or 22. such other investor(s) as may be permitted by the SC from time to time and/or under the relevant guidelines.
Wholesale Fund	means a unit trust scheme, the units of which are issued, offered for subscription or purchase, or for which invitations to subscribe for or purchase the units have been made exclusively to Sophisticated Investors and any other person as may be determined by the SC from time to time.

ii. The following definitions are hereby included:

US	means the United States of America

US person	means (i) any US citizen or permanent resident; (ii) any entity organized under US law or any jurisdiction within the US (including foreign branches); or (iii) any person physically present in the US, regardless of nationality; or (iv) a trust if (a) a court within the US would have authority under applicable law to render orders or judgements concerning substantially all issues regarding administration of the trust, and (b) one or more US persons have the authority to control all substantial decisions of the trust, or (v) an estate of a decedent that is a citizen of resident of the US. Source: US Executive Order 13959 & Malaysia-US IGA Guidance Notes dated 11 September 2015 on Compliance Requirements for Malaysia-US Intergovernmental Agreement on Foreign Account Tax Compliance Act (FATCA).

3. CORPORATE DIRECTORY

Page 8 of the Information Memorandum

(i) The website to the business address of the Manager is hereby deleted and replaced as follows:

Business Address
13th Floor, Menara Manulife
No. 6, Jalan Gelenggang
Damansara Heights
50490 Kuala Lumpur.
Phone : 03-2719 9228
Fax : 03-2094 7654
Customer Service Hotline : 03-2719 9271
Email : MY_CustomerService@manulife.com
Website : www.manulifeim.com.my

(ii) The corporate information of the Trustee is hereby deleted and replaced with the following:

HSBC (Malaysia) Trustee Berhad
193101000084 (1281-T)
Registered Office and Business Address
Level 19, Menara IQ
Lingkaran TRX
55188 Tun Razak Exchange,
Kuala Lumpur.
Phone : 03-2075 7800
Fax : 03-8894 2611
Email : fs.client.services.myh@hsbc.com.my

THIS FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 10 AUGUST 2023 IS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 11 FEBRUARY 2020.

4. CHAPTER 1. FUND INFORMATION

Page 9 of the Information Memorandum – 1.1 Fund Information

The "**Investment Policy and Strategy**" and "**Asset Allocation**" under this section is hereby deleted and replaced with the following:

Investment Policy and Strategy	The Fund will invest at least 85% of the Fund's NAV in Share Class AM2 of the HSBC Global Investment Funds – Global Emerging Markets Multi-Asset Income Fund ("Target Fund"), and the remaining NAV of the Fund will be in cash, money market instruments (including fixed income securities which have remaining maturity period of less than 365 days), placement of deposits with Financial institutions for liquidity purposes, and/ or derivative for hedging purposes. The Fund's portfolio will be closely monitored and rebalanced from time to time to ensure that the Fund's asset is allocated in accordance with its prescribed asset allocation.
Asset Allocation	• At least 85% of the Fund's NAV invested in the Target Fund; and • The remaining NAV of the Fund will be in cash, money market instruments, placement of deposits with financial institutions for liquidity purposes, and/ or derivative for hedging purposes.

Page 10 of the Information Memorandum – 1.2.1 General Risks of Investing in the Fund

The following risk is hereby inserted under this section:

Suspension/Deferment of Redemption Risk
The Manager may, in consultation with the Trustee and having considered the interests of investors, suspend the dealings in Units of the Fund due to exceptional circumstances such as when the market value or fair value of a material portion of the Fund's assets cannot be determined. No application will 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.

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 triggered, it may jeopardise the Fund's ability to meet Unit Holders' redemption request and may lead to a delay in repayment of redemption proceeds to investors. Unit Holders who are impacted by deferment of redemption are subject to the risks inherent to the Fund which Unit Holders invested in until the redemption request is processed.

Pages 10 to 11 of the Information Memorandum – 1.2.2 Specific Risks of the Fund

(i) The following specific risk is hereby inserted under this section:

Risk Considerations for Investing in Derivatives
The Manager may use derivatives such as forwards, futures and options 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 Manager 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 or it ceases to be rated, the Manager will liquidate its position within 6 months or sooner, unless the Trustee considers it to be in the best interest of Unit Holders to do otherwise.

To mitigate these risks, all investment in 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.

(ii) The information on "**Withholding Tax Risk**" is hereby deleted and replaced with the following:

Taxation Risk/ Withholding Tax Risk
Certain income of the Target Fund may be subject to withholding and/or income tax, and any such taxes will reduce the return on the investments held by the Target Fund. The Fund may make tax provision in respect of income received from its foreign investments. The tax laws, regulations and practice are constantly changing, and they may be changed with retrospective effect. The interpretation and applicability of the tax law 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 hereof 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 Target Fund (through the Manager or its agents) may need to receive certain information from a Sophisticated Investor for it to avoid certain withholding taxes. In particular, the Foreign Account Tax Compliance Act ("FATCA") enforced by the United States will require the Target Fund (or the Manager) to obtain certain identifying information about the Sophisticated Investors and potentially provide such information to the United States Internal Revenue Service. Subject to certain transition rules, Sophisticated 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 subject to a 30% withholding tax on income receivable from the Target fund or on proceeds from any sales or disposition of the Fund. In addition, Units held by such Sophisticated Investors may be subject to compulsory redemption. Any withholding taxes imposed on the Target Fund could affect the return of investments held by the Fund or the investment return of the Sophisticated Investors.

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

Pages 11 to 25 of the Information Memorandum – 1.2.3 Specific Risks of the Target Fund

(i) The following risks are hereby inserted under this section:

External Data Provider Risk
To meet the stated investment objectives, the Company, the Management Company and/or Investment Adviser of the Target Fund (together "the Parties") may rely on financial, economic and other data made available by companies, index providers, governmental agencies, rating agencies, exchanges, professional services firms, central banks or other third party providers (the "external data providers"). This data can have a material effect on the investment positions taken on behalf of the Target Fund. However, the Parties do not generally have the ability to independently verify any such financial, economic and other data and are therefore dependent on the integrity of both the external data providers and the processes by which any such data is generated. The Target Fund could incur unexpected costs as a result of external data provider failures of, or substantial inaccuracy in, the generation of such data. The Parties, acting in good faith, will not be held liable for any losses incurred by the Target Fund as a result such failures and inaccuracies.

Securities Lending and Repurchase Transactions
In relation to reverse repurchase transactions, investors must notably be aware that
(a) in the event of the failure of the counterparty with which cash of the Target Fund has been placed there is the risk that collateral received may yield less than the cash placed out, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that
(b) (i) locking cash in transactions of excessive size or duration,
(ii) delays in recovering cash placed out, or
(iii) difficulty in realising collateral may restrict the ability of the Target Fund to meet redemption requests, security purchases or, more generally, reinvestment; and that
(c) reverse repurchase transactions will, as the case may be, further expose the Target Fund to risks similar to those associated with optional or forward derivative financial instruments, which risks are further described in other sections of the Target Fund's prospectus.

In relation to repurchase transactions and securities lending transactions, investors must notably be aware that
(a) if the borrower of securities lent by the Target Fund fail to return these there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that
(b) in case of reinvestment of cash collateral such reinvestment may yield a sum less than the amount of collateral to be returned; and that
(c) delays in the return of securities on loans may restrict the ability of the Target Fund to meet delivery obligations under security sales or payment obligations arising from redemptions requests.

Pandemic Risk
An outbreak of an infectious disease, pandemic or any other serious public health concern could occur in any jurisdiction in which the Target Fund may invest, leading to changes in regional and global economic conditions and cycles which may have a negative impact on the Company's investments and consequently its net asset value. Any such outbreak may also have an adverse effect on the wider global economy and/or markets which may

negatively impact the Target Fund's investments more generally. In addition, a serious outbreak of infectious disease may also be a force majeure event under contracts that the Company has entered into with counterparties thereby relieving a counterparty of the timely performance of the services such counterparties have contracted to provide to the Target Fund (the nature of the services will vary depending on the agreement in question). In a worst case scenario, this may result with the Target Fund being delayed in calculating their net asset value, processing dealing in shares, undertaking independent valuations of the Target Fund or processing trades in respect of the Target Fund.

Chinese Equity
Investors should be aware of a number of special risk factors attendant on investment in emerging markets generally and the markets in China in particular.

a) Emerging markets can be significantly more volatile than developed markets, so that the price of shares may be subject to large fluctuations. The Target Fund's investments are subject to changes in regulations and tax policies going forward as China has now joined the WTO and engages in continuing market liberalisation.
b) The Chinese currency, the Renminbi, is not a freely convertible currency. The State Council's securities regulation body, the CSRC, also supervises the two official stock exchanges in China (the Shanghai Stock Exchange and the Shenzhen Securities Exchange) on which shares of Chinese issuers are listed in two categories, of which the "B" shares are quoted and traded in foreign currencies (currently Hong Kong Dollars and US Dollars) and are available to foreign investors.
c) The China "B" share market is relatively illiquid so that the choice of investments will be limited by comparison with that of major international stock exchanges.
d) The Target Fund will invest directly in securities quoted on the regulated Stock Exchanges in China and also in securities of companies listed in other Stock Exchanges which have substantial business or investment links in China. For this purpose, Chinese Equity will generally only invest in companies listed outside China where those companies are owned or controlled by Chinese interests, or where at least 40% of the earnings, production facilities, turnover, assets or investments of such companies are based in or derived from China.
e) The Target Fund may invest more than 5% of their net assets in China A-Shares which may be accessed by overseas investors via the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect, as detailed under section "Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect".

The Target Fund may invest in equity markets in China other than the Shanghai and Shenzhen exchanges once such markets have been established and approved by the authorities in China.

(ii) The disclosure on "Asset Allocation Strategy Risk" is hereby deleted.

(iii) The disclosure on "Bond Connect" is hereby deleted and replaced with the following:

The Target Fund may invest in bonds traded on the CIBM via the Bond Connect (as defined below) and/or the CIBM Initiative (as defined below).

Bond Connect Since July 2017, mutual bond market access between Hong Kong SAR and PRC ("Bond Connect") was established by China Foreign Exchange Trade System & National Interbank Funding Centre ("CFETS") and Hong Kong SAR Exchanges and Clearing Limited (amongst others). Bond Connect is governed by rules and regulations as promulgated by the

PRC authorities. Currently, the rules and regulations that the Target Fund, intending to trade through Bond Connect, must abide by include:

- Appointing CFETS through Bond Connect Company Limited or other institutions recognised by the PBOC as registration agents to apply for registration with the PBOC
- Transacting via an offshore custody agent recognised by the Hong Kong Monetary Authority (currently, the Central Moneymarkets Unit).

There are currently no quota restrictions. Such rules and regulations may be amended from time to time. There are no specific rules or guideline issued by the mainland China tax authorities on the treatment of income tax and other tax categories payable in respect of trading in CIBM by eligible foreign institutional investors via Bond Connect. Hence it is uncertain as to the Target Fund's tax liabilities for trading in CIBM via Bond Connect.

CIBM Initiative Since February 2016, PBOC has permitted foreign institutional investors to invest in the CIBM (the "CIBM Initiative") subject to complying with the applicable rules and regulations as promulgated by the PRC authorities, i.e., PBOC and SAFE. Currently, the rules and regulations that the Target Fund, intending to trade through the CIBM initiative, must abide by include:

- Appointing an onshore settlement agent who will be responsible for making relevant filings and account opening with relevant authorities.
- Generally only repatriating cash out of the PRC in a currency ratio approximately proportionate to the currency ratio of remitted cash into the PRC.

There are currently no quota restrictions. Such rules and regulations may be amended from time to time.

In addition to risks regarding the Chinese market and risks related to investments in RMB, investments in the CIBM are subject to the following additional risks: market and liquidity risks, Chinese local credit rating risk. counterparty and settlement risk, operational risk, quasi-government / local government bond risk, urban investment bonds risk and regulatory risk.

Page 25 of the Information Memorandum – 1.2.4 Risk Management Strategy

This section is hereby deleted and replaced with the following:

As the Fund is a feeder fund, which invests at least 85% of its NAV in the Target Fund, Sophisticated Investors are advised to refer to section 2.2 of this Information Memorandum for a better understanding on the risk management employed by the Investment Manager of the Target Fund at the Target Fund level.

The Manager has in place clearly defined policies and procedures and a system for the ongoing monitoring and management of liquidity risk. The Manager invests 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 enforces 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 the 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 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. When such redemption limit is imposed on Unit Holders, Unit Holders of the Fund will be given a notice on the deferred redemption. The redemption proceeds to the Unit Holder of the Fund will be paid within the timeline stipulated in Section 4.3.4 Redeeming an Investment from the date on which the redemption is processed.

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, 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.

Page 26 of the Information Memorandum – 1.3 Other Information

The "**List of Deeds**" under this section is hereby deleted and replaced with the following:

List of Deeds	Master Deed dated 9 February 2018, First Supplemental Master Deed dated 12 December 2018, Second Supplemental Master Deed dated 25 September 2019, Third Supplemental Master Deed dated 20 January 2020 and Fourth Supplemental Master Deed dated 9 July 2021.

5. CHAPTER 2. THE TARGET FUND

Page 27 of the Information Memorandum

The second paragraph under sub-section "**Management Company of the Target Fund**" is hereby deleted and replaced as follows:

HSBC Investment Funds (Luxembourg) S.A. has delegated the administration functions, registrar and transfer agency functions to the HSBC Continental Europe, Luxembourg.

Page 29 of the Information Memorandum – 2.1 Investment Objective and Strategy of the Target Fund

The last four paragraphs of this section are hereby deleted and replaced as follows:

The Target Fund may invest up to 90% of its net assets in units or shares of UCITS and/or other Eligible UCIs (including other sub-funds of HSBC Global Investment Funds). The Target Fund will invest in HSBC sponsored and/or managed UCITS and/or other Eligible UCIs unless an appropriate fund is not available.

The Target Fund may also invest in additional financial derivative instruments such as futures, swaps, options, credit default swaps, as well as other structured products. The Target Fund intends to use such financial derivative instruments for, inter alia, return enhancement, hedging, tax-advantage access to instruments and whenever the investment adviser of the Target Fund believes the investment in financial derivative instruments will assist the Target Fund in achieving its investment objectives. The Target Fund does not intend to use financial derivative instruments extensively for investment purposes. Financial derivative instruments may also be used for efficient portfolio management purposes.

The Target Fund can enter into securities lending transactions for up to 29% of its net assets, however, it is expected that this will not exceed 25%.

The Target Fund's main currency exposure, being no less than 50% of its net assets, is to emerging markets.

The Target Fund is actively managed and is not constrained by a benchmark.

The Share Class AM2 of the Target Fund will distribute income monthly (if any).

Page 29 of the Information Memorandum – 2.2 Risk Management of the Target Fund

The second paragraph of this section is hereby deleted and replaced as follows:

The Target Fund adopts the commitment approach which is generally calculated by converting the derivative contract into the equivalent position in the underlying asset embedded in that derivative, based on the market value of the underlying. Purchased and sold financial derivative instruments may be netted in accordance to guidelines 10/788 issued by the Committee of European Securities Regulators ("CESR") in order to reduce global exposure. Beyond these netting rules and after application of hedging rules, it is not allowed to have a negative commitment on a financial derivative instrument to reduce overall exposure and as such, risk-exposure numbers will always be positive or zero.

Pages 34 of the Information Memorandum – 2.3 Permitted Investments and Restrictions of the Target Fund

i) The disclosure under paragraph numeral VI (a) of the Information Memorandum is hereby deleted and replaced with the following:

   VI. The Target Fund may subscribe, acquire and/or hold securities to be issued or issued by one or more sub-funds of the Company ("Target Sub-Fund") without the Company being subject to the requirements of the 1915 Law with respect to the subscription, acquisition and/or the holding by a company of its own shares; under the condition however that:

a) The Target Fund may not invest more than 10% of its net asset value in a single Target Sub-Fund, this limit being increased to 20% if the Target Fund is permitted to invest more than 10% of its net assets in the units of UCITS or other eligible UCIs or in one single such UCITS or other eligible UCIs; and

Page 38 of the Information Memorandum – 2.8 Securities Lending

The following is hereby inserted at the end of this section:

2.8. SECURITIES LENDING
The Management Company of the Target Fund can decide if the Target Fund should participate in securities lending in which securities are transferred temporarily to approved borrowers approved by the Management Company of the Target Fund in exchange for collateral. Any of the transferable securities (e.g. equities and equity-related instruments, fixed income instruments) shares/units of UCIs or money market instruments belonging to the Target Fund which the Company's securities lending agent (the "Lending Agent") deems lendable, may be subject to securities lending, excluding any securities or collateral issued by any entity in the HSBC Group and any collateral received pursuant to a financial derivative contract.

The aim is to use securities lending on a continuous basis. The proportion of the Target Fund's net assets subject to securities lending transactions is typically intended to be around 25%. This proportion may however be dependent on factors such as, the Target Fund's total net assets, borrower demand to borrow stocks from the underlying market and seasonal trends in the underlying market. During periods of little or no demand from the market to borrow the underlying securities, the proportion of the Target Fund's net assets subject to securities lending may be lower, while there may also be periods of higher demand, in which case this proportion may be higher.

The risks related to the use of securities lending and the effect on investors' returns are described under section 1.2.3 Specific Risks of the Target Fund.

The Lending Agent, shall receive a fee of 15% of the gross revenue for its services related to securities lending and the Management Company of the Target Fee, a fee of 10% of the gross revenue for the oversight work undertaken in relation to securities lending. The remainder (i.e. 75%) of the gross revenue is received by the Target Fund. The revenue received by the Target Fund arising from securities lending transactions as well as the identity of the ending Agent will be specified in the semi-annual and annual reports of the Target Fund.

The Management Company of the Target Fund and the Lending Agent are part of the HSBC Group. As a result, the Management Company of the Target Fund may be exposed to a conflict of interest in as far that such a set-up would result in additional remuneration for the HSBC Group to which the Management Company of the Target Fund and the Lending Agent belong. In this context, the Management Company of the Target Fund and the Lending Agent have procedures in place for managing conflicts of interest in order to prevent that they may negatively impact shareholders.

6. CHAPTER 3. FEES, CHARGES AND EXPENSES

Page 39 of the Information Memorandum – 3.1.1 Sales Charge

THIS FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 10 AUGUST 2023 IS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 11 FEBRUARY 2020.

The second paragraph is hereby deleted and replaced with the following:

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.

Page 41 of the Information Memorandum – 3.3 Expenses

The information on "**Expenses**" is hereby deleted and replaced with the following:

Only the expenses which are directly related and necessary to the business of the Fund may be charged to the Fund. These would include (but are not limited to) the following:
(a) Commissions/fees paid to brokers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes and difference accounts;
(b) Charges/fees paid to sub-custodians in relation to foreign assets of the Fund (where the custodial function is delegated by the Trustee);
(c) Taxes and other duties charged on the Fund by the government and/or other authorities;
(d) Costs, fees and expenses properly incurred by the auditor and tax agent appointed for the Fund;
(e) Fees incurred for the valuation of any investment of the Fund;
(f) 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;
(g) 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;
(h) Costs, commissions, fees and expenses of the sale, purchase, insurance/ takaful and any other dealing of any asset of the Fund;
(i) Costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
(j) Costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund;
(k) Costs, fees and expenses incurred in the preparation and audit of the taxation returns and accounts of the Fund;
(l) Costs, fees and expenses incurred in the termination of the Fund or its Class(es) or the removal of the Trustee or the Manager and the appointment of a new trustee or management company;
(m) Costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or its Class(es) or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defense of either of them are not ordered by the court to be reimbursed by the Fund);
(n) 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;
(o) Costs and/or 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;
(p) 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;

(q) The costs of printing and dispatching to Unit Holders reports, accounts of the Fund, tax certificates, distribution warrants, notice of meeting of Unit Holders, newspapers advertisements; and
(r) Any other such expenditure as may be approved by the Trustee

Page 42 of the Information Memorandum – 3.4 Others

The information on "**Policy on Rebates and Soft Commissions**" is hereby deleted and replaced with the following:

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 (if any) should be credited to the account of the Fund concerned.

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

7. CHAPTER 4: TRANSACTION INFORMATION

Page 43 of the Information Memorandum – 4.1.1 Valuation Basis

The information on "**Valuation Basis**" is hereby deleted and replaced with the following:

Valuation of the Fund will be carried out by the Manager as follows:

Investment Instruments	Valuation Basis
Unlisted CIS (i.e. the Target Fund)	Unlisted 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 the investments is approved by the Trustee after appropriate technical consultation.
Placement of Deposits	Deposits placed with financial institutions and bank bills are valued each day by reference to their principal values and the interests accrued thereon for the relevant period.
Money Market Instruments	Investments in money market instruments such as bankers' acceptance and negotiable certificate of deposits are valued each day by reference to the value of such investments and the interests accrued thereon for the relevant period, if any. Investments in instruments such as commercial papers are valued on daily basis using the fair value prices.
Financial Derivative Instruments	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 are approved by the Trustee after appropriate technical consultation.

All foreign assets are converted into the Fund's Base Currency based on the bid foreign exchange rate quoted by Bloomberg or Reuters at U.K. time 4.00 p.m. on the same business day in accordance with the FiMM's Investment Management Standard, or such other time as may be prescribed from time to time by the relevant laws.

Page 43 of the Information Memorandum – 4.1.2 Valuation Point

The information in relation to "**Valuation Point**" is hereby deleted and replaced with the following:

<u>Valuation Point</u>
Valuation point refers to a time(s) on a Business Day which the Manager decides to conduct a valuation on the NAV of the Fund/ Class. Valuation will be done daily at the end of the Business Day. Funds with exposure to foreign investments shall be valued at or before 5.00 p.m. on the next Business Day (or T+1) because of the time difference between Malaysia and the country(ies) where the Funds invest in. For example, to determine the NAV of the Fund/ Class for Monday, 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 Fund/ Class will be published upon valuation conducted. However, delay may occur in updating the NAV per Unit of the Fund/ Class. The latest prices will be available on the Manager's website at www.manulifeim.com.my or FIMM's website. Alternatively, Unit Holders may contact the Manager's Customer Service Hotline.

Page 44 of the Information Memorandum – 4.1.3 Pricing Policy

The information in relation to "**Incorrect Pricing**" is hereby deleted and replaced with the following:

<u>Incorrect Pricing</u>
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.

Pages 45 to 46 of the Information Memorandum – 4.3 Information on Purchasing and Redeeming Units

The information in relation to the "**Information on Purchasing and Redeeming Units**" is hereby deleted and replaced with the following:

THIS FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 10 AUGUST 2023 IS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 11 FEBRUARY 2020.

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;
- direct mail to you by contacting the Manager's Customer Service Hotline; or
- any of the Manager's authorised distributors.

Application 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.

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.

Page 46 of the Information Memorandum – 4.3.1 Opening an Account and Making an Investment

i) The first paragraph is hereby deleted and replaced with the following:

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

Class	Application Mode	RM Hedged-Class	USD Class
Minimum Initial Investment	Walk-in	RM5,000.00	USD5,000.00
	Online transactions	Not available	Not available
		or such other lower amount as the Manager may from time to time decide.	
Minimum Additional Investment	Walk-in	RM1,000.00	USD1,000.00
	Online transactions	Not available	Not available
		or such other lower amount as the Manager may from time to time decide.	

ii) The following disclosure is hereby included at the end of the section:

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

Pages 46 to 47 of the Information Memorandum – 4.3.3 Cooling Off

This section is hereby deleted and replaced with the following:

Cooling-off is not applicable for the Fund.

Page 48 of the Information Memorandum – 4.5 Suspension of Dealing in Units

The information on "**Suspension of Dealing in Units**" is hereby deleted and replaced with the following:

The Manager may, in consultation with the Trustee and having considered the interests of Unit Holders, suspend dealing in Units of the Fund 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, considering the interests of the Unit Holders. Where such suspension of dealing in Units of the Fund is triggered, the Manager will ensure that all Unit Holders of the Fund are informed in a timely and appropriate manner of the decision to suspend dealing in Units of the Fund.

8. CHAPTER 5: THE MANAGEMENT COMPANY

Page 49 of the Information Memorandum – 5.3 Other Information

This section is hereby deleted and replaced with the following:

Further information on the Manager, board of directors and investment team is provided in our website at www.manulifeim.com.my.

9. CHAPTER 6: THE TRUSTEE

Page 50 of the Information Memorandum

The information of the Trustee is hereby deleted and replaced with the following:

HSBC (Malaysia) Trustee Berhad (Registration No. 193701000084 (1281-T)) (the "Trustee") 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.

THIS FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 10 AUGUST 2023 IS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 11 FEBRUARY 2020.

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

Pages 50 to 51 of the Information Memorandum – 6.2 Trustee's Delegate

The particulars of the Trustee's delegate is hereby deleted and replaced with the following:

Particulars of the Trustee's Delegate
For foreign asset:
The Hongkong and Shanghai Banking Corporation Limited (as global custodian)
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 sub-custodian) and assets held through HSBC Nominees (Tempatan) Sdn Bhd (Registration No: 199301004117 (258854-D))
Level 21, Menara IQ
Lingkaran TRX
55188 Tun Razak Exchange
Kuala Lumpur, Malaysia
Telephone No: (603)2075 3000 Fax No: (603)8894 2588

The Hongkong and Shanghai Banking Corporation Limited (as sub-custodian) and assets held through HSBC Bank Malaysia Berhad (Registration No: 198401015221 (127776-V))
Level 21, Menara IQ
Lingkaran TRX
55188 Tun Razak Exchange
Kuala Lumpur, Malaysia
Telephone No: (603)2075 3000 Fax No: (603)8894 2588

Page 52 of the Information Memorandum

The website mentioned at the end of this section is hereby deleted and replaced with the following:

Further information on the Trustee is provided in our website at www.manulifeim.com.my.

THIS FIRST SUPPLEMENTAL INFORMATION MEMORANDUM DATED 10 AUGUST 2023 IS TO BE READ IN CONJUNCTION WITH THE INFORMATION MEMORANDUM DATED 11 FEBRUARY 2020.

10. CHAPTER 7: RELATED-PARTY TRANSACTIONS AND CONFLICT OF INTEREST

Page 53 of the Information Memorandum

(i) The table on related-party transactions is hereby deleted and replaced with the following:

Nature of Transaction with the Manager	Name of Related Party	Relationship
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.

(ii) The third paragraph under this section is hereby deleted and replaced with the following:

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 members of the committee who carry 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.

Page 54 of the Information Memorandum – 7.2 Cross Trade

The third paragraph under this section is hereby deleted and replaced with the following:

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 members of the committee who carry out 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.

11. CHAPTER 8: ADDITIONAL INFORMATION

Page 55 of the Information Memorandum

i. The information in relation to the "**Keep abreast of fund developments**" is hereby deleted and replaced with the following:

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.

ii. The information in relation to the "**Avenue for advice**" is hereby deleted and replaced with the following:

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 MY_CustomerService@manulife.com. Alternatively, Unit Holders may visit the Manager's office at 13th Floor, Menara Manulife, 6, Jalan Gelenggang, 50490 Kuala Lumpur.

iii. The information in relation to the "**Statement and annual/interim reports**" is hereby deleted and replaced with the following:

Statements and annual/ quarterly reports
Confirmation of investment statements detailing Unit Holders' investment, which will be sent within 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 quarterly reports will be made available in the Manager's website at www.manulifeim.com.my. The annual report will be available within two (2) months of the Fund's financial year end and the quarterly report within two (2) months from the end of the period covered. i.e. for a financial year/ period ending 31 March, the annual/ quarterly report will be available by end of May.

12. DISTRIBUTION CHANNEL AND OFFICES

Pages 56 to 57 of the Information Memorandum

i. The Manager's website address is hereby updated as follow:

HEAD OFFICE
13th Floor, Menara Manulife
No. 6, Jalan Gelenggang
Damansara Heights
50490 Kuala Lumpur

Phone	: 03-2719 9228
Fax	: 03-2094 7654
Customer Service Hotline	: 03-2719 9271
Email	: MY_CustomerService@manulife.com
Website	: www.manulifeim.com.my

ii. The address of Bintulu branch is hereby deleted and replaced with the following:

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

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Manulife Investment Management

Manulife Global Emerging Markets Multi-Asset Income Fund

Information Memorandum

Manager
Manulife Investment Management (M) Berhad
(formerly known as Manulife Asset Management Services Berhad)
200801033087 (834424-U)

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

This Information Memorandum for Manulife Global Emerging Markets Multi-Asset Income Fund is dated 11 February 2020.

This Information Memorandum replaces the Information Memorandum dated 6 March 2019.

Manulife Global Emerging Markets Multi-Asset Income Fund was constituted on 12 December 2018.

IMPORTANT NOTES:
MANULIFE GLOBAL EMERGING MARKETS MULTI-ASSET INCOME FUND ("THE FUND") IS A WHOLESALE FUND. THE ISSUE, OFFER OR INVITATION TO SUBSCRIBE OR PURCHASE UNITS OF THE FUND IS EXCLUSIVELY FOR SOPHISTICATED INVESTORS ONLY.

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

RESPONSIBILITY STATEMENTS AND STATEMENTS OF DISCLAIMER

RESPONSIBILITY STATEMENTS

This Information Memorandum has been reviewed and approved by the directors of Manulife Investment Management (M) Berhad *(formerly known as Manulife Asset Management Services Berhad)* and they collectively and individually accept full responsibility for the accuracy of all 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 Information Memorandum false or misleading.

STATEMENTS OF DISCLAIMER

A copy of this Information Memorandum has been lodged with the Securities Commission Malaysia. The Securities Commission Malaysia will not be liable for any non-disclosure on the part of Manulife Investment Management (M) Berhad *(formerly known as Manulife Asset Management Services Berhad)*, the management company responsible for the Fund, and takes no responsibility for the contents in this Information Memorandum. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Information Memorandum, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

ADDITIONAL STATEMENTS

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

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DEFINITION

2010 Law	means the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, or any legislative replacements or amendments thereof.
the Act or CMSA	means the Capital Markets and Services Act 2007 as may be amended from time to time.
Base Currency	means the base currency of the Fund, i.e. USD.
Bond Connect	refers to a bond trading link between China and Hong Kong which allows foreign institutional investors to invest in onshore Chinese bonds and other debt instruments traded on the China Interbank Bond Market.
Business Day	means a day on which Bursa Malaysia is open for business. *Note: For each Class, the Manager may declare certain Business Days to be non-Business Days if it is a non-Dealing Day of the Target Fund and/or non-business day of USD currency and/or respective currency of the Class.*
CIS	means collective investment scheme.
Class(es)	Class(es) that are offered for subscription by the Fund are as follows: • RM Hedged-Class • USD Class The Fund is allowed to establish new Class(es) from time to time.
Company	means HSBC Global Investment Funds.
Dealing Day	means a business day on which the net asset value of the Target Fund is calculated.
Deed	means the deed dated 9 February 2018, First Supplemental Deed dated 12 December 2018, Second Supplemental Deed dated 25 September 2019 and subsequent supplemental deeds (if any) entered into between the Manager and the Trustee in relation to the Fund.
FIMM	means the Federation of Investment Managers Malaysia.
FDIs	means financial derivative instruments.
financial institution	if the institution is in Malaysia: i) licensed bank as defined in the Financial Services Act 2013; ii) licensed investment bank as defined in the Financial Services Act 2013; iii) Islamic bank as defined in the Islamic Financial Services Act 2013; or iv) Development financial institution regulated under the Development Financial Institutions Act 2002. If the institution is outside Malaysia, any institution that is licensed/registered/ approved/authorised to provide financial services by the relevant banking regulator.
Fund	means Manulife Global Emerging Markets Multi-Asset Income Fund.
Guidelines	means the Guidelines on Unlisted Capital Market Products Under The Lodge And Launch Framework issued by the Securities Commission Malaysia as may be amended from time to time.
Information Memorandum	means the Fund's information memorandum dated 11 February 2020.
Initial Offer Price	means a fixed price per Unit payable by an applicant for the purchase of Units during the Initial Offer Period.

IUTAs	means Institutional Unit Trust Advisers
licensed bank	has the same meaning as given under the Financial Services Act 2013.
licensed investment bank	has the same meaning as given under the Financial Services Act 2013.
Manager	refers to Manulife Investment Management (M) Berhad *(formerly known as Manulife Asset Management Services Berhad)*.
long term	means a period of a least five (5) years.
NAV	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. For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund should be inclusive of the annual management fee and the annual trustee fee for the relevant day; where the Fund has more than one class of Units, there shall be a NAV of the Fund attributable to each class of Units.
NAV per Unit	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 of Units, there shall be a NAV per Unit for each class of Units; the NAV per Unit of a class of Units at a particular valuation point shall be the NAV of the Fund attributable to that class of Units divided by the number of Units in circulation for that class of Units at the same valuation point.
OTC	means over-the-counter.
PRC	means People's Republic of China.
RM	means the Ringgit Malaysia, the lawful currency of Malaysia.
RM Hedged-Class	refers to a Class of Units of the Fund which is denominated in RM and aims to reduce the effect of exchange rate fluctuations between RM and the Base Currency.
SC	means the Securities Commission Malaysia established under the Securities Commission Act 1993.
Share Class AM2	means one of the share classes offered by the Target Fund. It is also the share class that the Fund seeks to invest into, which is denominated in USD.
Sophisticated Investor(s)	refers to: • an individual whose total net personal assets, or total net joint assets with his or her spouse, exceed RM 3 million or its equivalent in foreign currencies, excluding the value of the individual's primary residence; • an individual who has a gross annual income exceeding RM 300,000 or its equivalent in foreign currencies per annum in the preceding 12 months; • an individual who, jointly with his or her spouse, has a gross annual income exceeding RM 400,000 or its equivalent in foreign currencies in the preceding 12 months; • a corporation with total net assets exceeding RM 10 million or its equivalent in foreign currencies based on the last audited accounts; • a partnership with total net assets exceeding RM 10

	million or its equivalent in foreign currencies; • a unit trust scheme or prescribed investment scheme or private retirement scheme as defined under the CMSA; • a closed-end fund approved by the SC; • a company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding RM 10 million or its equivalent in foreign currencies; • a corporation that is a public company under the Companies Act 2016 which is approved by the Securities Commission to be a trustee under the Act and has assets under management exceeding RM 10 million or its equivalent in foreign currencies; • a statutory body established by an Act of Parliament or an enactment of any State; • a pension fund approved by the Director General of Inland Revenue under section 150 of the Income Tax Act 1967 [Act 53]; • Central bank of Malaysia; • a holder of a Capital Markets Services License; • an executive director or a chief executive officer of a holder of a Capital Markets Services License; • a licensed bank as defined in the Financial Services Act 2013; • a licensed Islamic bank as defined in the Islamic Financial Services Act 2013; • a licensed insurer as defined in the Financial Services Act 2013; • a licensed takaful operator as defined in the Islamic Financial Services Act 2013; • a bank licensee or insurance licensee as defined under the Labuan Financial Services and Securities Act 2010; • an Islamic bank licensee or takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010; and • such other investor(s) as may be permitted by the SC from time to time and/or under the relevant guidelines.
Special Resolution	means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority of not less than three-fourths of the Unit Holders present and voting at the meeting in person or by proxy; for the avoidance of doubt, “three-fourths of the Unit Holders present and voting in person or by proxy” means three-fourths of the votes cast by the Unit Holders present and voting; for the purposes of winding-up the Fund or a class of Units, “Special Resolution” means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority in number holding not less than three-fourths of the value of the votes cast by the Unit Holders present and voting at the meeting in person or by proxy.

Target Fund	means HSBC Global Investment Funds – Global Emerging Markets Multi-Asset Income Fund.
Trustee	means HSBC (Malaysia) Trustee Berhad.
UCITS	means an undertaking for collective investment in transferable securities within the meaning of EC European Parliament and Council Directive 2009/65 of 13 July 2009 as may be amended from time to time.
Unit(s)	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 of Units, it means a Unit issued for each class of Units.
Unit Holder(s) or you	refers to a Sophisticated Investor registered pursuant to the Deed as the holder of Units including persons jointly registered.
USD	means the US Dollar, the lawful currency of the United States of America.
USD Class	refers to a class of Units of the Fund which is denominated in USD.
UTCs	means Unit Trust Consultants.
Wholesale Fund	means unit trust scheme, the units of which are issued, offered for subscription or purchase, or for which invitations to subscribe for or purchase the units have been made exclusively to Sophisticated Investors.

CORPORATE DIRECTORY

The Manager

Manulife Investment Management (M) Berhad *(formerly known as Manulife Asset Management Services Berhad)* 200801033087 (834424-U)

Registered Office
16th Floor, Menara Manulife
No. 6, Jalan Gelenggang
Damansara Heights
50490 Kuala Lumpur.

Business Address
13th Floor, Menara Manulife
No. 6, Jalan Gelenggang
Damansara Heights
50490 Kuala Lumpur.
Tel : 03-2719 9228
Fax : 03-2094 7654
Email : MY_CustomerService@manulife.com
Website : www.manulifeinvestment.com.my

The Trustee

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

Registered Office and Business Address
13th Floor, Bangunan HSBC, South Tower
No. 2, Leboh Ampang
50100 Kuala Lumpur.
Tel : 03-2075 7800
Fax : 03-2179 6511

1. THE FUND

1.1. FUND INFORMATION

Name of the Fund	Manulife Global Emerging Markets Multi-Asset Income Fund
Fund Category	Wholesale Fund (Feeder Fund)
Base Currency	USD
Investment Objective	The Fund aims to provide income and capital appreciation by investing in one collective investment scheme. *Note: Any material change to the Fund's investment objective would require Unit Holder's approval.*
Investment Policy and Strategy	The Fund will invest at least 95% of the Fund's NAV in Share Class AM2 of the HSBC Global Investment Funds – Global Emerging Markets Multi-Asset Income Fund ("Target Fund"), and the remaining NAV of the Fund will be in cash, money market instruments (including fixed income securities which have remaining maturity period of less than 365 days) and/ or placement of deposits with financial institutions for liquidity purposes. The Fund's portfolio will be closely monitored and rebalanced from time to time to ensure that the Fund's asset is allocated in accordance with its prescribed asset allocation.
Asset Allocation	• At least 95% of the Fund's NAV invested in the Target Fund; and • The remaining NAV of the Fund will be in cash, money market instruments and/or placement of deposits with financial institutions for liquidity purposes.
Distribution Policy	Depending on the level of income (if any) the Fund generates, the Fund aims to distribute all or part of its distributable income on a quarterly basis. The payment of distributions, if any, from the Fund will vary from period to period depending on the market conditions, performance of the Fund and the Target Fund. The Manager has the right to make provisions for reserves in respect of distribution of the Fund. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders.
Investors' Profile	This Fund is suitable for Sophisticated Investors who: • seek a combination of income and capital appreciation; • wish to participate in a diversified portfolio of assets in the global emerging markets; and • have a long-term investment horizon.
Currency Class	RM Hedged-Class and USD Class 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 Information Memorandum without prior consent from Unit Holders.

Launch Date	**RM Hedged-Class**	**USD Class**
	6 March 2019	6 March 2019
Initial Offer Price	**RM Hedged-Class**	**USD Class**
	RM1.0000	USD1.0000

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 law or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the performance of the Fund.

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

Target Fund Manager Risk
The Target Fund (which the Fund invests in) is managed by HSBC Investment Funds (Luxembourg) S.A., which has appointed HSBC Global Asset Management (UK) Limited as an investment adviser. It is important to note that the Manager has no control over investment management techniques and operational controls of the Target Fund. Thus, mismanagement of the Target Fund (i.e. breach of its prescribed investment restriction due to human error) may potentially expose the Fund (as an investor of the Target Fund) to additional risk. Should such a situation arise, the Manager may propose to invest in other alternative collective investment scheme that is consistent with the objective of the Fund provided always that the approval of the Unit Holders has been obtained.

Currency Risk
You should 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. While we aim to fully hedge the currency risk for a hedged Class, you should note that it may not entirely eliminate currency risk.

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 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.

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

Liquidity Risk
Liquidity risk refers to a security which could not be transacted in a timely manner. In the context of the Fund (which invests in the Target Fund), liquidity risk is associated with the Target Fund's ability to meet the Fund's redemption request in a timely manner. If the Target Fund fails to meet the Fund's redemption request, it may jeopardize the Fund's ability to meet its own Unit Holders' redemption request.

Withholding Tax Risk
Certain income of the Target Fund may be subject to withholding taxes, and any such taxes will reduce the return on the investments held by the Target Fund. In addition, the Target Fund (through the Manager or its agents) may need to receive certain information from a Sophisticated Investor for it to avoid certain withholding taxes. In particular, the Foreign Account Tax Compliance Act ("FATCA") enforced by the United States will require the Target Fund (or the Manager) to obtain certain identifying information about the Sophisticated Investors and potentially provide such information to the United States Internal Revenue Service. Subject to certain transition rules, Sophisticated 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 subject to a 30% withholding tax on income receivable from the Target fund or on proceeds from any sales or disposition of the Fund. In addition, Units held by such Sophisticated Investors may be subject to compulsory redemption. Any withholding taxes imposed on the Target Fund could affect the return of investments held by the Fund or the investment return of the Sophisticated Investors.

1.2.3 Specific Risks of the Target Fund

Emerging Markets Risks
Because of the special risks associated with investing in emerging markets, the Target Fund which invests in such securities should be considered speculative. Investors in the Target Fund are advised to consider carefully the special risks of investing in emerging market securities. Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be affected adversely by economic conditions in the countries in which they trade.

Brokerage commissions, custodial services and other costs relating to investment in emerging markets generally are more expensive than those relating to investment in more developed markets. Lack of adequate custodial systems in some markets may prevent investment in a given country or may require the Target Fund to accept greater custodial risks in order to invest, although the depositary bank will endeavour to minimise such risks through the appointment of correspondents that are international, reputable and creditworthy financial institutions. In addition, such markets have different settlement and clearance procedures. In certain markets there have been times when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. The inability of the Target Fund to make intended securities purchases due to settlement problems could cause the Target Fund to miss attractive investment opportunities. Inability to dispose of a portfolio security caused by settlement problems could result either in losses to the Target Fund due to subsequent declines in value of the portfolio security or, if the Target Fund has entered into a contract to sell the security, could result in potential liability to the purchaser.

The risk also exists that an emergency situation may arise in one or more developing markets as a result of which trading of securities may cease or may be substantially curtailed and prices for the Target Fund's securities in such markets may not be readily available.

Investors should note that changes in the political climate in emerging markets may result in significant shifts in the attitude to the taxation of foreign investors. Such changes may result in changes to legislation, the interpretation of legislation, or the granting of foreign investors the benefit of tax exemptions or international tax treaties. The effect of such changes can be retrospective and can (if they occur) have an adverse impact on the investment return of shareholders in the Target Fund so affected.

Investors in the Target Fund should be aware of the risk associated with investment in Russian equity securities. Markets are not always regulated in Russia and, at the present time, there are a relatively small number of brokers and participants in these markets and when combined with political and economic uncertainties this may temporarily result in illiquid equity markets in which prices are highly volatile.

The Target Fund will therefore only invest up to 10% of their net asset value directly in Russian equity securities (except if they are listed on the MICEX - RTS Exchange in Russia and any other regulated markets in Russia which would further be recognised as such by the Luxembourg supervisory authority) while the Target Fund will invest in American, European and Global Depositary Receipts, respectively ADRs, EDRs or GDRs, where underlying securities are issued by companies domiciled in the Russian Federation and then trade on a regulated market outside Russia, mainly in the USA or Europe. By investing in ADRs, EDRs and GDRs, the Target Fund expects to be able to mitigate some of the settlement risks associated with the investment policy, although other risks, e.g. the currency risk exposure, shall remain.

The Target Fund's investments are spread among a number of industries however the BRIC countries' markets are comprised of significant weightings in the natural resources sectors. This means that the Target Fund's investments may be relatively concentrated in these sectors and the performance of the Target Fund could be sensitive to movements in these sectors. Risks of sector concentration are outlined below. In selecting companies for investment, a company's financial strength, competitive position, profitability, growth prospects and quality of management will typically be evaluated.

Interest Rate Risk

The Target Fund's investment in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise. Longer term debt securities are usually more sensitive to interest rate changes.

Credit Risk

The Target Fund, which invests in bonds and other fixed income securities, is subject to the risk that issuers may not make payments on such securities. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Lower quality debt securities are more susceptible to these problems and their value may be more volatile.

Foreign Exchange Risk

Because the Target Fund's assets and liabilities may be denominated in currencies different to the Target Fund's base currency, the Target Fund may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between the Target Fund's base currency and other currencies. Changes in currency exchange rates may influence the value of the Target Fund's shares, the dividends or interest earned and the gains and losses realised. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation and other economic and political conditions.

If the currency in which a security is denominated appreciates against the Target Fund's base currency, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

The Target Fund may engage in foreign currency transactions in order to hedge against currency exchange risk, however there is no guarantee that hedging or protection will be achieved. This strategy may also limit the Target Fund from benefiting from the performance of the Target Fund's securities if the currency in which the securities held by the Target Fund are denominated rises against the Target Fund's base currency.

Counterparty Risk

The Target Fund may enter into transactions in over-the-counter markets, which will expose the Target Fund to the credit of its counterparties and their ability to satisfy the terms of such contracts.

For example, the Target Fund may enter into repurchase agreements, forward contracts, options and swap arrangements or other derivative techniques, each of which expose the Target Fund to the risk that the counterparty may default on its obligations to perform under the relevant contract. In addition, some fixed income structures such as asset backed securities can incorporate swap contracts that involve counterparty risk. In the event of a bankruptcy or insolvency of a counterparty, the Target Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Company seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights.

There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. In such circumstances, investors may be unable to cover any losses incurred. Derivative contracts such as direct swap contracts or swap contracts embedded in other fixed income structures entered into by the Target Fund involve credit risk that could result in a loss of the Target Fund's entire investment as the Target Fund may be fully exposed to the credit worthiness of a single approved counterparty where such an exposure will be collateralised.

The Company employs a variety of mechanisms to manage and mitigate counterparty risk including but not limited to the following:

- Counterparty approval using external credit ratings and/or a credit review consisting of three years' worth of audited financial accounts;
- Counterparties are also reviewed at least annually to ensure that they remain appropriate for the requirements of the business. Counterparties are monitored on a continual basis and any adverse information concerning the credit worthiness of approved counterparties is considered as a matter of urgency;
- Counterparty exposures are monitored on a daily basis by a function independent of the front office;

Exposures may also be managed through a collateral and margining arrangement supported by appropriate and legally enforceable trading agreements.

Sovereign Risk
Certain developing countries and certain developed countries are especially large debtors to commercial banks and foreign governments. Investment in debt obligations ("Sovereign Debt") issued or guaranteed by governments or their agencies ("governmental entities") of such countries involves a high degree of risk. In certain countries, governmental entities, for the purpose of risks related to Sovereign Debt may additionally include local, regional, provincial, state, or municipal governments and government entities that issue debt obligations.

The governmental entity that controls the repayment of Sovereign Debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. A governmental entity's willingness or ability to repay principal and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy towards the International Monetary Fund and the social and political constraints to which a governmental entity may be subject. The Target Fund may suffer significant losses when there is a default of Sovereign Debt issuers.

Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest arrearage on their debt. The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on a governmental entity's implementation of economic reforms and/or economic performance and the timely service of such debtor's obligations.

Failure to implement such reforms, achieve such levels of economic performance or repay principal or interest when due may result in the cancellation of such third parties' commitments to lend funds to the governmental entity, which may further impair such debtor's ability or willingness to service its debt on a timely basis. Consequently, governmental entities may default on their Sovereign Debt. Holders of Sovereign Debt, including the Target Fund, may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities. There is no bankruptcy proceeding by which Sovereign

Debt on which a governmental entity has defaulted may be collected in whole or in part.

Where the Target Fund may have investment exposure to Europe in the context of its investment objective and strategy, in light of the fiscal conditions and concerns on Sovereign Debt of certain European countries as well as the potential exit of certain countries from the EU, the Target Fund may be subject to a number of risks arising from a potential crisis in Europe. The risks are present both in respect of direct investment exposure (for example if the Target Fund holds a security issued by a sovereign issuer and that issuer suffers a downgrade or defaults) and indirect investment exposure, such as the Target Fund facing an increased amount of volatility, liquidity, price and currency risk associated with investments in Europe.

Should any country cease using the Euro as its local currency or should a collapse of the Eurozone monetary union occur, such countries may revert back to their former (or another) currency, which may lead to additional performance, legal and operational risks to the Target Fund and may ultimately negatively impact the value of the Target Fund. The performance and value of the Target Fund may potentially be adversely affected by any or all of the above factors, or there may be unintended consequences in addition to the above arising from the potential European crisis that adversely affect the performance and value of the Target Fund.

Any debt issued or guaranteed by local, regional, provincial, state, or municipal governments or governmental entities may not be guaranteed by, or otherwise linked to, the national or central government of the country in which it is located. Such debt, while linked to the overall Sovereign Risk of the country in which it has been issued, may be subject to its own unique and additional risks due to each issuer's local, regional, state, provincial, or municipal legal, political, business, or social structure and framework. In addition, international and local sources of financing, including assistance from the central or federal government, may be or become unavailable which may have an adverse effect on the ability of the relevant local or regional government or municipality to service its debt obligations.

There is no guarantee that an active trading market for local, regional, provincial, state or municipal debt obligations will develop or is maintained, which could negatively affect the price of the debt obligation. The Target Fund may therefore be prevented from buying or selling the debt obligation at times when it might be in the interest of the Target Fund to do so. These cases may ultimately negatively impact the net asset value of the Target Fund.

Risks Associated with Government or Central Banks' Intervention
Changes in regulation or government policy leading to intervention in the currency and interest rate markets (e.g. restrictions on capital movements or changes to the way in which a national currency is supported such as currency de-pegging) may adversely affect some financial instruments and the performance of the Target Fund.

Non-Investment Grade Debt / Unrated Debt Risk
Investment in non-investment grade or unrated fixed-income securities carries higher credit risk (default risk and downgrade risk), liquidity risk and market risk than investment grade fixed-income securities.

Credit risk is greater for investments in fixed-income securities that are rated below investment grade or unrated fixed income securities which are not of comparable quality with investment grade securities. It is more likely that income or capital payments may not be made when due. Thus the risk of default is greater. The amounts that may be recovered after any default may be smaller or zero and the Target Fund may incur additional expenses if it tries to recover its losses through bankruptcy or other similar proceedings.

Adverse economic events may have a greater impact on the prices of non-investment grade and unrated fixed-income securities. Investors should therefore be prepared for greater volatility than for investment grade fixed-income securities, with an increased risk of capital loss, but with the potential of higher returns.

The market liquidity for non-investment grade and unrated fixed-income securities can be low and there may be circumstances in which there is no liquidity for these securities, making it more difficult to value and/or sell these securities.

Convertible Securities Risk
Convertible securities are fixed income securities, preferred stocks or other securities that may be converted or exchanged (by the holder or by the issuer) into shares of the underlying common stock (or cash or securities of equivalent value) at a stated price or rate. They will at least have similar interest rate risk, credit risk, liquidity risk and prepayment risk associated with comparable straight debt investments. The convertible bond market value tends to reflect the market price of the common stock of the issuing company when that stock price approaches or is greater than the conversion price of the convertible security consequently convertible securities are exposed to greater volatility than a straight bond investment. Convertible securities tend to be subordinated to other debt securities issued by the same issuer. The difference between the conversion value and the price of convertible securities will vary over time depending on changes in the value of the underlying common stocks and interest rates. Consequently, the issuer's convertible securities generally entail less risk than its common stock but more risk than its debt obligations.

OTC Financial Derivative Transactions Risk
In general, there is less governmental regulation and supervision of transactions in the OTC markets (in which currencies, forward, spot and option contracts, credit default swaps, total return swaps and certain options on currencies are generally traded) than of transactions entered into on organized exchanges. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearing house, may not be available in connection with OTC financial derivative transactions. Therefore, the Target Fund entering into OTC transactions will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that the Target Fund will sustain losses. The Target Fund will only enter into transactions with counterparties which it believes to be creditworthy, and may reduce the exposure incurred in connection with such transactions through the receipt of letters of credit or collateral from certain counterparties. Regardless of these measures, the Company may seek to implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Target Fund will not sustain losses as a result.

From time to time, the counterparties with which the Company effects transactions might cease making markets or quoting prices in certain of the instruments. In such instances, the Company might be unable to enter into a desired transaction in currencies, credit default swaps or total return swaps or to enter into an offsetting transaction with respect to an open position, which might adversely affect its performance. Further, in contrast to exchange-traded instruments, forward, spot and option contracts on currencies do not provide the investment adviser of the Target Fund with the possibility to offset the Company's obligations through an equal and opposite transaction. For this reason, in entering into forward, spot or options contracts, the Company may be required, and must be able, to perform its obligations under the contracts.

Liquidity Risk
Liquidity risk exists within most financial products including the investments held by the Target Fund. This means that a delay may occur in receiving sales proceeds from the investments held by the Target Fund, and those proceeds may be less than recent valuations used to determine the net asset value per Share. This risk is greater in exceptional market conditions or when large numbers of investors are trying to sell their investments at the same time. In such circumstances, the receipt of sale proceeds may be delayed and/or take place at lower prices.

This may impact the ability of the Target Fund to immediately meet the redemption requests received from the shareholders.

Taxation Risk
Investors should note in particular that (i) the proceeds from the sale of securities in some markets or the receipt of any dividends or other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market including taxation levied by withholding at source and/or (ii) the Target Fund's investments may be subject to specific taxes or charges imposed by authorities in some markets. Tax law and practice in certain countries into which the Target Fund invests or may invest in the future is not clearly established. It is possible therefore that the current interpretation of the law or understanding of practice might change, or that the law might be changed with retrospective effect. It is therefore possible that the Target Fund could become subject to additional taxation in such countries that is not anticipated when investments are made, valued or disposed of.

Asset Allocation Strategy Risk
The portfolio of the Target Fund may be allocated into different asset classes, and such allocation may change over time depending on the investment adviser of the Target Fund's view on market opportunities. Therefore, the performance of the Target Fund is dependent on the success of the asset allocation strategy employed the Target Fund. There is no assurance that the strategy employed by the Target Fund will be successful and therefore, there is no assurance that the investment objectives will be achieved. The investments of the Target Fund may be periodically rebalanced and therefore the Target Fund may incur greater transaction costs than a fund with a buy-and-hold allocation strategy.

Real Estate Risk
Investments in equity securities issued by companies or in shares/units of REITs/units of real estate collective investment scheme which are principally engaged in the business of real estate will subject the strategy to risks associated with the direct ownership of real estate. These risks include, among others, possible declines in the value of real estate risks related to general and local economic conditions, possible lack of availability of mortgage funds, overbuilding, extended vacancies of properties, increases in competition, real estate taxes and transaction, operating and foreclosure expenses, changes in zoning laws, costs resulting from the clean-up of, and liability to third parties for damages resulting from, environmental problems; casualty or condemnation losses, uninsured damages from natural disasters and acts of terrorism, limitations on and variations in rents; and changes in interest rates. The strategy may invest in securities of small to mid-size companies which may trade in lower volumes and be less liquid than the securities of larger, more established companies or other collective investment schemes. There are therefore risks of fluctuations in value due to the greater potential volatility in their share prices. Exposure to real estate will normally be achieved by investment in either closed-

ended REITs or in other open or closed-ended collective investment schemes (including other UCITS).

Risks related to investment in China

Chinese Markets Risk

Investing in emerging markets such as the PRC subjects the Target Fund to a higher level of market risk than investments in a developed country. This is due to, among other things, greater market volatility, lower trading volume, political and economic instability, settlement risk, greater risk of market shut down and more governmental limitations on foreign investment than those typically found in developed markets.

Investors should be aware that for more than 50 years, the Chinese government has adopted a planned economic system. Since 1978, the Chinese government has implemented economic reform measures which emphasise decentralisation and the utilisation of market forces in the development of the Chinese economy. Such reforms have resulted in significant economic growth and social progress.

On 21 July 2005, the PRC government introduced a managed floating exchange rate system to allow the value of Renminbi (“RMB”) to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies.

There can be no assurance that such exchange rate will not fluctuate widely against the USD, Hong Kong Dollars or any other foreign currency in the future. Any appreciation of RMB will increase the value of any dividends that the Target Fund may receive from its PRC investments and the value of investments, which will be reported in the currency, and vice versa.

Many of the economic reforms in China are unprecedented or experimental and are subject to adjustment and modification, and such adjustment and modification may not always have a positive effect on investment in the companies in China.

The national regulatory and legal framework for capital markets and joint stock companies in China is not well developed when compared with those of developed countries.

The Shanghai and Shenzhen securities markets and the China Interbank Bond Market are all in the process of development and change. In addition, securities exchanges in China typically have the right to suspend or limit trading in any security traded on the relevant exchange and the government or the regulators may also implement policies that may affect the financial markets. This may lead to trading volatility, difficulty in the settlement and recording of transactions and difficulty in interpreting and applying the relevant regulations. All these may have a negative impact on the Target Fund.

Under the prevailing tax policy in China, there are certain tax incentives available to foreign investment. There can be no assurance, however, that the aforesaid tax incentives will not be abolished in the future.

Investments in China will be sensitive to any significant change in political, social or economic policy in China. Such sensitivity may, for the reasons specified above, adversely affect the capital growth and thus the performance of these investments.

The Chinese government's control of currency conversion and future movements in exchange rates may adversely affect the operations and financial results of the companies invested in by the Target Fund, and the abilities of such companies to make payment of dividends declared in respect of the shares in the China companies.

Accounting and Reporting Standards

PRC companies are required to follow PRC accounting standards and practice which, to a certain extent, follow international accounting standards. However, the accounting, auditing and financial reporting standards and practices applicable to PRC companies may be less rigorous, and there may be significant differences between financial statements prepared by accountants following the PRC accounting standards and practice and those prepared in accordance with international accounting standards. For example, there are differences in the valuation methods of properties and assets and in the requirements for disclosure of information to investors which may result in nondisclosure of certain material information of the investee entities the Target Fund invest in.

As the disclosure and regulatory standards in China are less stringent than in more developed markets, there might be substantially less publicly available information about Chinese issuers. Therefore, disclosure of certain material information may not be made, and less information may be available to the investment adviser of the Target Fund.

Taxation in the PRC

The Company, after seeking professional advice, may decide to make or not to make any tax provisions in respect of the Target Fund. Even if tax provisions are made, such provisions may be more than or less than the Target Fund's actual PRC tax liabilities and it is possible that such tax provisions made by the Company may be insufficient. In case of a difference between the Target Fund's provision for taxes and its actual PRC tax liabilities, the relevant amounts shall be credited to or debited from the Target Fund's assets (as the case may be). As a result, the income from, and/or the performance of, the Target Fund may/may not be adversely affected and the impact/degree of impact on individual shareholders of the Target Fund may vary, depending on factors such as the level of the Target Fund's provision for taxes (if any) and the amount of the difference at the relevant time and when the relevant shareholders subscribed for and/or redeemed their shares in the Target Fund.

Any tax provision, if made by the Company, will be reflected in the net asset value of the Target Fund at the time of debit or refund and thus will only impact on shares which remain in such Target Fund at that time. Shares which are redeemed prior to such time will not be affected by any debit of insufficient tax provisions. Likewise, such shares will not benefit from any refund of excess tax provisions. Investors should note that no shareholders who have redeemed their shares in the Target Fund before the distribution of any excess provision shall be entitled to claim in whatsoever form any part of the withholding amounts distributed to the Target Fund, which amount would be reflected in the value of shares in the Target Fund. In the event the Company considers it necessary to adopt any tax provision (whether in respect of the PRC Enterprise Income Tax Law or any other applicable tax regulation/laws in the PRC) on a retrospective basis, the prevailing and/or future net asset value of the Target Fund may be negatively impacted. The magnitude of such potential negative impact on the performance of the Target Fund may not correspond to the gains over an investor’s holding period due to the retrospective nature.

The Company will review and make adjustments to its tax provision policy as and when it considers necessary from time to time and as soon as practicable upon issuance of further notices or clarification issued by the PRC tax authority in respect of the application of the PRC Enterprise Income Tax and/or any other applicable tax regulations/laws and the respective implementation rules.

There is a possibility that the current tax laws, rules, regulations and practice in mainland China and/or the current interpretation or understanding thereof may change in the future and such change(s) may have retrospective effect.

The Target Fund could become subject to additional taxation that is not anticipated when the relevant investments are made, valued or disposed of. Any increased tax liabilities on the Target Fund may adversely affect the Target Fund's net assets and may reduce the income from, and/or the value of, the relevant investments in the Target Fund.

- **Direct investment in China A-shares via Stock Connects**

On 14 November 2014, the PRC Ministry of Finance, State Administration of Taxation ("SAT") and China Securities Regulatory Commission ("CSRC") jointly published a notice in relation to the taxation rule on the Shanghai Stock Connect under Caishui [2014] No.81 ("Notice No.81").

Under Notice No.81, Corporate Income Tax, Individual Income Tax and Business Tax will be temporarily exempted on gains derived by Hong Kong and overseas investors (such as the Target Fund) on the trading of China A-shares through Shanghai Stock Connect with effect from 17 November 2014. However, Hong Kong and overseas investors (such as the Target Fund) are required to pay tax on dividends and/or bonus shares at the rate of 10% which will be withheld and paid to the relevant authority by the listed companies.

Pursuant to the notice Caishui [2016] No. 36 issued jointly by the SAT and the Ministry of Finance in March 2016 effective from 1 May 2016, PRC Value-added Tax ("VAT") replaced PRC Business Tax ("BT") to cover all sectors that used to fall under the PRC BT. Gains derived by Hong Kong market investors from trading of China A-shares listed on the Shanghai Stock Exchange are exempted from VAT. Dividends are not subject to PRC VAT.

In addition, pursuant to the "Circular on the Taxation Policy of the Pilot Programme for the Mutual Stock Market Access between Shenzhen and Hong Kong Stock Markets" notice Caishui [2016] No.127 promulgated by the Ministry of Finance, the SAT and the CSRC on 5 November 2016, under the BT to VAT transformation pilot program, gains derived by Hong Kong market investors from trading of China A-shares listed on the Shenzhen Stock Exchange will also be temporarily exempted from corporate income tax, individual income tax and VAT.

Based on notices above and based on professional and independent tax advice, the Target Fund will not make any tax provision on gross realised or unrealised capital gains derived from trading of China A-shares via Shanghai and Shenzhen Stock Connects. The Target Fund may further modify its tax provision policy based on new developments and interpretation of the relevant PRC tax regulations/laws in the PRC.

- **Indirect investment in China A-shares via China A-Shares Access Products ("CAAPs")**

On 14 November 2014, the PRC Ministry of Finance, SAT and CSRC jointly published a notice in relation to the taxation rule on Qualified Foreign Institutional Investor ("QFII") and RMB Qualified Foreign Institutional Investor ("RQFII") under Caishui [2014] No.79 ("Notice No.79"). Under Notice No.79, (i) corporate income tax, will be temporarily exempted on gains derived by QFIIs and RQFIIs from the transfer of domestic shares and other equity interest investment in China with effect from 17 November 2014; and (ii) corporate income tax shall be imposed on such gains earned by QFIIs and RQFIIs before 17 November 2014 in accordance with the tax laws. The relevant dividends and/or bonus shares derived by QFIIs and RQFIIs are subject to tax at 10% (unless exempt or reduced under specific tax circulars or relevant tax treaty), which will be withheld and paid to the relevant authority by the listed companies.

Notice No. 79 is applicable for QFIIs and RQFIIs without any establishment or place in China or the income derived by the QFIIs and RQFIIs are not effectively connected with their establishment or place in China.

Also pursuant to Caishui [2016] No. 36 and No.70, gains derived by QFII or RQFII from securities trading carried out domestically are exempted from VAT. Dividends are not subject to PRC VAT.

Based on notices above and based on professional and independent tax advice, the Target Fund will not make any tax provision on gross realised or unrealised capital gains derived from trading of China A-shares via CAAPs issued by QFII or RQFII license holders. The Target Fund may further modify its tax provision policy based on new developments and interpretation of the relevant PRC tax regulations/laws in the PRC.

- **Fixed Income Securities**

Corporate Income Tax

1) Interest income

Currently, in respect of debt securities, except for interests derived from government bonds which are exempt from PRC Corporate Income Tax ("CIT"), a 10% withholding income tax is technically payable on interests derived from fixed income instruments issued and borne by PRC resident corporate entities (including those issued and borne by foreign enterprises but deemed as PRC tax resident) by a foreign investor which is deemed as a non-resident enterprise without Permanent Establishment ("PE") in China for PRC CIT purposes. The entity distributing such interests is required to withhold such tax. If the foreign corporate investor is a tax resident of a country that has signed a tax treaty with China with a reduced treaty rate on interest income, it may submit a self-claim form (called record filing form) to enjoy the reduced PRC CIT rate under the tax treaty however, this is subject to post-submission review and discretion by the in-charge PRC tax authority.

Pursuant to the notice Caishui [2016] No. 36, interest income derived from bonds issued by PRC resident companies should technically be subject to 6% VAT plus surcharges from 1 May 2016, unless specifically exempted. Interest received from PRC government bonds and local government bonds are exempt from VAT.

2) Capital gain

There are no specific tax rules governing the PRC CIT on capital gains derived by foreign investors from the trading of debt securities in the PRC.

- On 8 November 2017, the People's Bank of China ("PBOC") released operational procedures for overseas institutional investors to enter China's Inter-bank Bond Market ("CIBM"). Pursuant to it capital gain realized by overseas institutional investors through CIBM direct scheme is temporarily exempt from CIT.

- In relation to trading debt securities via Bond Connect, no specific rule or guidance has currently been issued by the PRC tax authorities on the tax treatment. Consequently, the tax treatment is even less certain and so, in the absence of such specific rules, the expectation is that the PRC CIT treatment (or any other tax treatment) will be governed by the general tax provisions of the existing PRC domestic tax legislation.

Based on the current interpretation of the SAT and professional tax advice, the Company does not intend to provide for any PRC CIT in respect of the capital gains derived by the Target Fund from disposal of debt securities in the PRC. In light of the uncertainty on the CIT treatment on capital gains on debt securities trading in the PRC and for the purpose of meeting this potential tax liability of the Target Fund for capital gains from debt securities in the PRC, the Company reserves the right to provide for CIT (or any other tax) on such gains or income and withhold the tax from the account of the Target Fund based on new developments and interpretation of the relevant regulations (after taking professional tax advice).

Pursuant to Caishui [2016] No. 36, gains realised from the trading of marketable securities in the PRC would generally be subject to VAT at 6% plus local surcharge, unless specifically exempted. Pursuant to Caishui [2016] No. 70, which is a supplementary notice to Caishui [2016] No. 36, gains realised by overseas institutional investors recognized by the PBOC from the trading of CIBM bonds are exempt from VAT.

RMB Currency and Exchange Risk
Investors should be aware of the fact that the RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of currencies. Currently, the RMB is traded in two markets: one in mainland China, and one outside mainland China (primarily in Hong Kong). The RMB traded in mainland China is not freely convertible and is subject to exchange controls and certain requirements by the government of mainland China. The RMB traded outside mainland China, on the other hand, is freely accessible to any person or entity for any purpose.

Non-RMB based investors are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors' home currency will not depreciate. Any depreciation of RMB could adversely affect the value of investor's investment in the Target Fund.

Although offshore RMB ("CNH") and onshore RMB ("CNY") are the same currency, they trade at different rates. Any divergence between CNH and CNY may adversely impact investors.

In calculating the value of the investments denominated in RMB, the investment adviser of the Target Fund will normally apply as appropriate the exchange rate for RMB traded outside or in mainland China. The rate of the RMB traded outside mainland China may be at a premium or discount to the exchange rate for RMB traded in mainland China and there may be significant bid and offer spreads.

Under exceptional circumstances, payment of redemptions and/or dividend payment in RMB may be delayed due to the exchange controls and restrictions applicable to RMB.

In addition, there may be liquidity risk associated with RMB products, especially if such investments may not have an active secondary market and their prices subject to significant bid and offer spread.

China A-Shares Access Products ("CAAP")
The Target Fund may invest in CAAP linked to China A-shares in the PRC. Issuers of CAAP may deduct various charges, expenses or potential liabilities from the prices of the CAAP (including but not limited to any actual or potential tax liabilities determined by the CAAP issuer at its discretion) and such deduction is not normally refundable.

CAAPs may not be listed and are subject to the terms and conditions imposed by its issuer. These terms may lead to delays in implementing the investment adviser of the Target Fund's investment strategy. Investment in CAAPs can be illiquid as there may not be an active market in the CAAPs. In order to liquidate investments, the Target Fund relies upon the counterparty issuing the CAAPs to quote a price to unwind any part of the CAAPs.

An investment in a CAAP is not an investment directly in the underlying investments (such as shares) themselves. An investment in the CAAP does not entitle the holder of such instrument to the beneficial interest in the shares nor to make any claim against the company issuing the shares.

The Target Fund will be subject to credit risk of the issuers of the CAAPs invested by the Target Fund. The Target Fund may suffer a loss if the issuers of the CAAPs invested by the Target Fund becomes bankrupt or otherwise fails to perform its obligations due to financial difficulties.

Shanghai-Hong Kong Stock Connect
The Shanghai-Hong Kong Stock Connect is a securities trading and clearing links program developed by Hong Kong Exchanges and Clearing Limited ("HKEX"), Shanghai Stock Exchange ("SSE") and China Securities Depositary and Clearing Corporation Limited ("ChinaClear").

The Shanghai-Hong Kong Stock Connect comprises a Northbound Shanghai Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shanghai Trading Link, Hong Kong and overseas investors (including the Target Fund which are authorised to), through its Hong Kong broker and a securities trading service company established by the Stock Exchange of Hong Kong ("SEHK"), may be able to trade eligible China A Shares listed on the SSE by routing orders to SSE.

Under the Shanghai-Hong Kong Stock Connect, the Target Fund, through its Hong Kong broker may trade certain eligible shares listed on the SSE. These include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except the following:

- SSE-listed shares which are not traded in RMB; and
- SSE-listed shares which are included in the "risk alert board".

Trading is subject to rules and regulations issued from time to time. Trading under the Shanghai-Hong Kong Stock Connect is subject to a daily quota. Northbound Shanghai Trading Link and Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect will be subject to a separate set of daily quota. The daily quota limits the maximum net buy value of cross-boundary trades under the Shanghai-Hong Kong Stock Connect each day.

Shenzhen-Hong Kong Stock Connect
The Shenzhen-Hong Kong Stock Connect is a securities trading and clearing links program developed by HKEX, Shenzhen Stock Exchange ("SZSE") and ChinaClear.

The Shenzhen-Hong Kong Stock Connect comprises a Northbound Shenzhen Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shenzhen Trading Link, Hong Kong and overseas investors (including the Target Fund), through their Hong Kong broker and a securities trading service company established by SEHK, may be able to trade eligible China A Shares listed on the SZSE by routing orders to the SZSE.

Under the Shenzhen-Hong Kong Stock Connect, the Target Fund, through its Hong Kong brokers may trade certain eligible shares listed on the SZSE. These include any constituent stock of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which has a market capitalisation of RMB6 billion or above and all SZSE-listed shares of companies which have issued both China A Shares and H Shares. At the initial stage of the Northbound Shenzhen Trading Link, investors eligible to trade shares that are listed on the ChiNext Board of SZSE under the Northbound Shenzhen Trading Link will be limited to institutional professional investors as defined in the relevant Hong Kong rules and regulations.

Trading is subject to rules and regulations issued from time to time. Trading under the Shenzhen-Hong Kong Stock Connect will be subject to a daily quota (unrelated to the daily quota of the Shanghai-Hong Kong Stock Connect).

Northbound Shenzhen Trading Link and Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect will be subject to a separate set of daily quota. The daily quota limits the maximum net buy value of cross-boundary trades under the Shenzhen-Hong Kong Stock Connect each day.

Bond Connect

Bond Connect is governed by rules and regulations as promulgated by the PRC authorities. The rules and regulations that the Target Fund, intending to trade through Bond Connect, must abide by include:

- Appointing China Foreign Exchange Trade System & National Interbank Funding Centre through Bond Connect Company Limited or other institutions recognised by the PBOC as registration agents to apply for registration with the PBOC.
- Transacting via an offshore custody agent recognised by the Hong Kong Monetary Authority (currently, the Central Moneymarkets Unit).

There are currently no quota restrictions. Such rules and regulations may be amended from time to time.

Asset Backed Securities ("ABS") and Mortgage Backed Securities ("MBS")

In general, ABS and MBS are debt securities with interest and capital payments backed by a pool of financial assets such as mortgages and loans, with collateral backing often provided by physical assets such as residential or commercial property. Some ABS is supported by unsecured loan cash flows without physical asset backing. ABS and MBS securities may become less liquid and/or volatile in certain circumstances and are subject to risks, including market risk, interest rate risk, credit risk, counterparty risk, noninvestment grade credit risk and liquidity risk.

MBS generally refers to mortgage securities issued by US government-sponsored enterprises such as the Federal Mortgage Association (Fannie Mae) or the Federal Home Loan Mortgage Corporation (Freddie Mac). ABS usually refers to privately sponsored asset backed securities. The main categories are Residential Mortgage Backed Securities ("RMBS"), Commercial Mortgage Backed Securities ("CMBS"), Collateralised Loan Obligations and Consumer ABS (for example credit cards, auto loans and student debt). In a typical ABS deal, the securities are separated into tranches which have different rights. The senior tranches usually receive the loan repayments first and the junior tranches absorb the first losses. To compensate for the higher capital risk, the junior holders are paid a higher rate of interest than the senior note holders.

RMBS represent interests in pools of residential mortgage loans secured by the underlying residential property. Some loans may be prepaid at any time. The collateral underlying CMBS generally consists of mortgage loans secured by income-producing property, such as shopping centres, office buildings, industrial or warehouse properties, hotels, rental apartments, nursing homes, senior living centres and self-storage properties.

The investment characteristics of MBS and ABS differ from traditional debt securities. The major difference is that the principal is often paid in stages and may be fully repaid at any time because of the terms of the underlying loans. This variability in timing of cash flows makes estimates of future asset yield and weighted average life uncertain.

The broad ABS market also includes synthetic Collateralised Debt Obligations. These usually have shorter maturities, typically five years, and are referenced to debt obligations or other structured finance securities.

Contingent Convertible Securities
Contingent convertible securities are hybrid capital securities that absorb losses when the capital of the issuer falls below a certain level. Upon the occurrence of a predetermined event (known as a trigger event), contingent convertible securities can be converted into shares of the issuing company, potentially at a discounted price, or the principal amount invested may be lost on a permanent or temporary basis. Contingent convertible securities are risky and highly complex instruments that are comparatively untested. Depending on their category, income payments may be cancelled, suspended or deferred by the issuer and they are more vulnerable to losses than equities.

IT IS IMPORTANT TO NOTE THAT THE ABOVE LIST OF RISK MAY NOT BE EXHAUSTIVE. THE FUND/ TARGET FUND MAY BE EXPOSED TO OTHER RISKS OF AN EXEPTIONAL NATURE FROM TIME TO TIME.

1.2.4 Risk Management Strategy

As the Fund is a feeder fund, which invests at least 95% of its NAV in the Target Fund, Sophisticated Investors are advised to refer to section 2.2 of this Information Memorandum for a better understanding on the risk management employed by the Investment Manager of the Target Fund at the Target Fund level.

The Manager has in place clearly defined policies and procedures and a system for the ongoing monitoring and management of liquidity risk. The Manager invests 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 enforces 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.

The Manager reserves the right to perform suspension of redemptions under exceptional circumstances and defer the processing of redemption requests on a pro-rata basis, to the next Business Day when the Fund receives redemption requests exceed 10% of the Fund's NAV. Furthermore, 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.

1.3. OTHER INFORMATION

Permitted Investments	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: • Units and/or shares in local or foreign collective investment scheme; • Placement of deposits and money market instruments; • Financial derivative instruments, including but not limited to options, futures contracts, forward contracts and swaps, for hedging purposes; and • Any other form of investments as may be agreed between the Manager and the Trustee from time to time.

Investment Limits and Restrictions	• The Fund will not hold more than 5% of its NAV in liquid assets such as placement of deposits and money market instruments; and • The Fund will not invest in a fund-of-funds, feeder fund and any sub-fund of an umbrella scheme which is a fund-of-funds or a feeder fund.
Borrowing and Securities Lending	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, the Fund is not permitted to borrow to finance its activities or to grant or guarantee any loans or enter into a contract to purchase investments when it does not have the necessary funds to pay for the purchase.
Financial Year End	31 March
List of Deeds	Deed dated 9 February 2018, First Supplemental Deed dated 12 December 2018 and Second Supplemental Deed dated 25 September 2019.

2. THE TARGET FUND

HSBC Global Investment Funds – Global Emerging Markets Multi-Asset Income (the "Target Fund") was established on 19 January 2018. It is one of the sub-funds of the HSBC Global Investment Funds (the "Company") domiciled in Luxembourg. The regulatory authority of the Target Fund is Commission de Surveillance du Secteur Financier ("CSSF").

The Company is an open-ended investment company incorporated in the Grand Duchy of Luxembourg on 21 November 1986 as a société anonyme, which qualifies as a Société d'Investissement à Capital Variable ("SICAV"). The Company qualifies as an undertaking for collective investment in transferable securities ("UCITS") under Part I of the Luxembourg Law of 17 December 2010 implementing directive 2009/65/EC into the Luxembourg law.

The Target Fund is authorised by the Securities and Futures Commission in Hong Kong (the "SFC") for offering to the public in Hong Kong pursuant to Section 104 of the Securities and Futures Ordinance (as may be amended, supplemented or replaced from time to time).

<u>Management Company of the Target Fund</u>

The board of directors of the Company has appointed HSBC Investment Funds (Luxembourg) S.A. as the management company of the Target Fund, to be responsible on a day-to-day basis under the supervision of the board of directors of the Company, for providing administration, marketing, investment management and advice services in respect of the Target Fund.

HSBC Investment Funds (Luxembourg) S.A. has delegated the administration functions, registrar and transfer agency functions to the HSBC Bank plc, Luxembourg Branch.

<u>Investment Adviser of the Target Fund</u>

HSBC Investment Funds (Luxembourg) S.A. has delegated the investment management services to HSBC Global Asset Management (UK) Limited, as the investment adviser for the Target Fund.

HSBC Global Asset Management (UK) Limited was incorporated on 31 May 1985 and is authorised and regulated in the United Kingdom by the Financial Conduct Authority.

The investment adviser of the Target Fund has appointed HSBC Global Asset Management (USA) Inc. as the sub-investment adviser to provide discretionary investment management services in respect of a part of the Target Fund's portfolio. HSBC Global Asset Management (USA) Inc is regulated by U.S. Securities and Exchange Commission.

2.1. INVESTMENT OBJECTIVE AND STRATEGY OF THE TARGET FUND

The Target Fund aims to provide income and moderate capital growth through an active asset allocation in a diversified portfolio of fixed income securities and equity securities, money market and cash instruments and other instruments in emerging markets.

The Target Fund invests in normal market conditions a minimum of 90% of its net assets in or gains exposure to the following assets in emerging markets:

- Fixed income and equity securities either directly, through financial derivative instruments, and/or through investments in UCITS and/or other eligible undertakings for collective investment ("UCIs").

- Money market and cash instruments either directly, through financial derivative instruments, and/or through investments in UCITS and/or other eligible UCIs.
- Currency forwards and non-deliverable forwards linked to the currency of securities issued in emerging markets.
- Other UCITS eligible asset classes including, but not limited to, real estate, commodities, Asset Backed Securities (“ABS”), Mortgage Backed Securities (“MBS”) and alternative investment strategies through investment in either transferable securities, financial derivative instruments, UCITS and other eligible UCIs.

Currency exposure will be actively managed and will be achieved through the abovementioned assets held in the portfolio or through financial derivative instruments (for example, currency forwards).

The Target Fund invests in investment grade, non-investment grade rated and unrated fixed income and other similar securities issued or guaranteed by governments, government agencies or supranational bodies of emerging markets or by companies which are domiciled in, based in, or carry out the larger part of their business activities in, emerging markets. These securities are denominated either in USD, other developed market currencies, some of which will be hedged to USD, or emerging market currencies.

Investment in onshore Chinese fixed income securities include, but are not limited to, onshore fixed income securities denominated in RMB, issued within the PRC and traded on the China Interbank Bond Market ("CIBM"). The Target Fund may invest in the CIBM either through Bond Connect and/or the CIBM initiative. The Target Fund may invest up to 20% of its net assets in onshore Chinese bonds issued by, amongst others, municipal and local governments, companies and policy banks.

The Target Fund will not invest more than 20% of its net assets in fixed income securities which are rated below investment grade, as assigned by either market recognised rating agencies or by a PRC local credit rating agency, or which are unrated.

The Target Fund will not invest more than 10% of its net assets in securities issued by or guaranteed by any single sovereign issuer with a credit rating below investment grade.

The Target Fund may invest up to 10% of its net assets in convertible bonds (excluding contingent convertible securities).

The Target Fund may invest up to 10% of its net assets in contingent convertible securities; however such investment is not expected to exceed 5%.

The Target Fund invests in equities and equity equivalent securities of companies which are domiciled in, based in, or operating in emerging markets. The Target Fund normally invests across a range of market capitalisations without any capitalisation restriction. These securities are denominated in developed or emerging market currencies.

Investments in Chinese equities include, but are not limited to, China A-shares and China B-shares (and such other securities as may be available) listed on stock exchanges in the PRC. The Target Fund may directly invest in China A-shares through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect, subject to applicable quota limitations. Furthermore, the Target Fund may gain exposure to China A-shares indirectly through China A-shares Access Products ("CAAP") such as, but not limited to, participation notes linked to China A-shares.

The Target Fund may invest up to 15% of its net assets in China A-shares through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect and up to 15% of its net assets in CAAPs. The Target Fund's maximum exposure to China A-shares (through the Shanghai-Hong Kong Stock Connect, the Shenzhen-Hong Kong Stock Connect or CAAP) and China B-shares is 30% of its net assets. The Target Fund will not invest more than 10% of its net assets in CAAPs issued by any single issuer of CAAPs.

The Target Fund may also invest in eligible closed-ended Real Estate Investment Trusts ("REITs").

The Target Fund may invest up to 90% of its net assets in units or shares of UCITS and/or other eligible UCIs (including other sub-funds of HSBC Global Investment Funds and other sub-funds managed or affiliated with the HSBC group).

The Target Fund may also invest in additional financial derivative instruments such as futures, swaps, options, credit default swaps, as well as other structured products. The Target Fund intends to use such financial derivative instruments for, inter alia, return enhancement, hedging, tax-advantage access to instruments and whenever the investment adviser of the Target Fund believes the investment in financial derivative instruments will assist the Target Fund in achieving its investment objectives. The Target Fund does not intend to use financial derivative instruments extensively for investment purposes.

The Target Fund's main currency exposure, being no less than 50% of its net assets, is to emerging markets.

The Share Class AM2 of the Target Fund will distribute income monthly (if any).

2.2. RISK MANAGEMENT OF THE TARGET FUND

The management company of the Target Fund, responsible for the risk management of the Company, has delegated the day to day implementation to the risk management team of the investment adviser of the Target Fund. The investment adviser of the Target Fund is in charge of the implementation of risk control procedures of the Target Fund. The management company of the Target Fund will collaborate with the investment adviser of the Target Fund to determine various control limits in order to match the risk profile and strategy of the Target Fund. The management company of the Target Fund will supervise these risk management functions and will receive appropriate reports.

The Target Fund adopts commitment approach, which is a methodology used to determine global risk exposure of the Target Fund, whereby FDIs positions of the Target Fund are converted into the market value of the equivalent position in the underlying asset(s) of the FDIs.

2.3. PERMITTED INVESTMENTS AND RESTRICTIONS OF THE TARGET FUND

I. (1) The Company may invest in:

a) transferable securities and money market instruments admitted to or dealt in on a regulated market;

b) transferable securities and money market instruments dealt in on another market in a member state which is regulated, operates regularly and open to the public;

c) transferable securities and money market Instruments admitted to official listing on a stock exchange in a non-member state of the European Union ("EU") or dealt in on another market in a non-member state of the EU which is regulated, operates regularly and is recognised and open to the public provided that the choice of the stock exchange or market has been provided for in the constitutional documents of the Company;

d) recently issued transferable securities and money market instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or on another regulated market which operates regularly and is recognised and open to the public, provided that the choice of the stock exchange or the markets has been provided for in the constitutional documents of the Company and such admission is secured within one year of the issue;

e) units of UCITS and/or other eligible UCIs, whether situated in a member state or not, provided that:

- such other eligible UCIs have been authorised under the laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in European Community law, and that cooperation between authorities is sufficiently ensured,

- the level of protection for unitholders in such other eligible UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC, as amended,

- the business of such other eligible UCIs is reported in semi-annual and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period,

- no more than 10% of the assets of the UCITS or of the other eligible UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other eligible UCIs;

f) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a country which is a member state or if the registered office of the credit institution is situated in a third country provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in European Community law;

g) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market referred to in subparagraphs a), b) and c) above and/or financial derivative instruments dealt in over-the counter ("OTC derivatives"), provided that:

- the underlying consists of instruments covered by this Section (I) (1), financial indices, interest rates, foreign exchange rates or currencies, in which the Target Fund may invest according to its investment objective;

- the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF; and

- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative;

and/or

h) money market instruments other than those dealt in on a regulated market, if the issue or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:

- issued or guaranteed by a central, regional or local authority or by a central bank of a member state, the European Central Bank, the EU or the European Investment Bank, a non-member state or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more member states belong, or

- issued by an undertaking any securities of which are dealt in on regulated markets referred to in subparagraphs a), b) or c) above, or

- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by the European Community law, or by an establishment which is subject to and complies with prudential rules considered by the Luxembourg supervisory authority to be at least as stringent as those laid down by European Community law, or

- issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million euro (Euro 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

(2) In addition, the Company may invest a maximum of 10% of the net assets of the Target Fund in transferable securities or money market instruments other than those referred to under paragraph (1) above.

II. The Company may hold ancillary liquid assets.

III. a) (i) The Company will invest no more than 10% of the net assets of the Target Fund in transferable securities or money market instruments issued by the same issuing body.

(ii) The Company may not invest more than 20% of the net assets of the Target Fund in deposits made with the same body. The risk exposure of the Target Fund to a counterparty in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in paragraph I. (1) (f) above or 5% of its net assets in other cases.

b) Moreover, where the Company holds on behalf of the Target Fund investments in transferable securities and money market instruments of issuing bodies which individually exceed 5% of the net assets of the Target Fund, the total of all such investments must not account for more than 40% of the total net assets of the Target Fund.

This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in paragraph a), the Company shall not combine, where this would lead to investing more than 20% of its assets in a single body, any of the following for the Target Fund:

- investments in transferable securities or money market instruments issued by that body;
- deposits made with that body; or
- exposure arising from OTC derivative transactions undertaken with that body.

c) The limit of 10% laid down in sub-paragraph a) (i) above is increased to a maximum of 35% in respect of transferable securities or money market instruments which are issued or guaranteed by a member state, its public local authorities, or by another eligible state or by public international bodies of which one or more member states are members.

d) The limit of 10% laid down in sub-paragraph a) (i) is increased to 25% for certain bonds when they are issued by a credit institution which has its registered office in a member state and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of the accrued interest.

If the Target Fund invests more than 5% of its net assets in the bonds referred to in this sub-paragraph and issued by one issuer, the total value of such investments may not exceed 80% of the net assets of the Target Fund.

e) The transferable securities and money market instruments referred to in paragraphs c) and d) shall not be included in the calculation of the limit of 40% in paragraph b).

The limits set out in paragraphs a), b), c) and d) may not be aggregated and, accordingly, investments in transferable securities or money market instruments issued by the same issuing body, in deposits or in financial derivative instruments effected with the same issuing body may not, in any event, exceed a total of 35% of the Target Fund's net assets.

Companies which are part of the same group for the purposes of the establishment of consolidated accounts, as defined in accordance with directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in this Section III.

The Company may cumulatively invest up to 20% of the net assets of the Target Fund in transferable securities and money market instruments within the same group.

f) Notwithstanding the above provisions, the Company is authorised to invest up to 100% of the net assets of the Target Fund, in accordance with the principle of risk spreading, in transferable securities and money market instruments issued or guaranteed by any member state, by one or more of its local authorities or agencies, a non-member state of the EU or by another member state of the Organisation for Economic Cooperation and Development, Singapore or any member state of the Group of Twenty or by public international bodies of which one or more member states of the EU are members, provided that the Target Fund must hold securities from at least six different issues and securities from one issue do not account for more than 30% of the net assets of the Target Fund.

IV. a) The Company may not acquire shares carrying voting rights which should enable it to exercise significant influence over the management of an issuing body.

b) The Company may acquire no more than:

- 10% of the non-voting shares of the same issuer;
- 10% of the debt securities of the same issuer;
- 10% of the money market instruments of the same issuer.

c) These limits under second and third indents may be disregarded at the time of acquisition, if at that time the gross amount of debt securities or of the money market instruments or the net amount of the instruments in issue cannot be calculated.

The provisions of paragraph IV. shall not be applicable to transferable securities and money market instruments issued or guaranteed by a member state or its local authorities or by any other eligible state, or issued by public international bodies of which one or more member states of the EU are members.

These provisions are also waived as regards shares held by the Company in the capital of a company incorporated in a non-member state of the EU which invests its assets mainly in the securities of issuing bodies having their registered office in that state, where under the legislation of that state, such a holding represents the only way in which the Company can invest in the securities of issuing bodies of that state provided that the investment policy of the company from the third country of the EU complies with the limits laid down in paragraphs III., IV. and V. a), b), and c).

V. a) The Company may acquire units of the UCITS and/or other eligible UCIs referred to in paragraph I. (1) e), provided that no more than 10% of the Target Fund's net assets be invested in the units of UCITS or other eligible UCIs or in one single sub-fund of such UCITS or other eligible UCI (including Target Sub-Funds as defined in Section VII below).

b) The underlying investments held by the UCITS or other eligible UCIs in which the Company invests do not have to be considered for the purpose of the investment restrictions set forth in Section III. above.

c) If the Company invests in shares or units of UCITS (including other sub-funds of the Company) and/or other eligible UCIs that are managed directly or indirectly by the management company of the Target Fund itself or a company with which it is linked by way of common management or control or by way of a direct or indirect stake of more than 10% of the capital or votes, then there will be no duplication of management, subscription or repurchase fees between the Company and the UCITS and/or other eligible UCIs into which the Company invests. In derogation of this, if the Company invests in shares of HSBC ETFs PLC, then there may be duplication of management fees for any sub-funds. The Company will indicate in its annual report the total management fees charged both to the relevant sub-fund and to HSBC ETFs PLC.

If the Target Fund's investments in UCITS and other eligible UCIs constitute a substantial proportion of the Target Fund's assets, the total management fee (excluding any performance fee, if any) charged both to the Target Fund itself and the other UCITS and/or other eligible UCIs concerned shall not exceed 3.00% of the relevant assets. The Company will indicate in its annual report the total management fees charged both to the Target Fund and to the UCITS and other eligible UCIs in which the Target Fund has invested during the relevant period.

d) The Company may acquire no more than 25% of the units of the same UCITS or other eligible UCIs. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated.

e) To the extent that, the Target Fund may invest more than 10% of its net assets in the units of UCITS or other eligible UCIs or in one single such UCITS or other eligible UCIs (including Target Sub-Funds), the following will apply:

- The Target Fund may acquire units of the UCITS and/or other eligible UCIs referred to in paragraph I (1) e), provided that no more than 20% of the Target Fund's net assets be invested in the units of a single UCITS or other eligible UCI.
- For the purpose of the application of the investment limit, each compartment of a UCITS and/or UCI with multiple compartments is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various compartments vis-à-vis third parties is ensured.
- Investments made in units of other eligible UCIs may not in aggregate exceed 30% of the net assets of the Target Fund.

VI. The Target Fund may subscribe, acquire and/or hold securities to be issued or issued by one or more sub-funds of the Company ("Target Sub-Fund") without the Company being subject to the requirements of the 1915 Law with respect to the subscription, acquisition and/or the holding by a company of its own shares; under the condition however that:

a) The Target Fund may not invest more than 10% of its net asset value in a single Target Sub-Fund; and

b) The Target Sub-Fund(s) do(es) not, in turn, invest in the Target Fund invested in this (these) Target Sub-Fund(s); and

c) The investment policy(ies) of the Target Sub-Fund(s) whose acquisition is contemplated does not allow such Target Sub-Fund(s) to invest more than 10% of its(their) net asset value in UCITS and other eligible UCIs; and

d) Voting rights, if any, attaching to the shares of the Target Sub-Fund(s) held by the Target Fund are suspended for as long as they are held by the Target Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and

e) In any event, for as long as these securities are held by the Target Fund, their value will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law; and

f) There is no duplication of management/subscription or repurchase fees between those at the level of the Target Fund.

VII. The Company shall ensure for the Target Fund that the global exposure relating to derivative instruments does not exceed the net assets of the Target Fund.

The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions. This shall also apply to the following subparagraphs.

If the Company invests in financial derivative instruments, the exposure to the underlying assets may not exceed in aggregate the investment limits laid down in paragraph III above. When the Company invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in Section III.

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

VIII. a) The Company may not borrow for the account of the Target Fund amounts in excess of 10% of the net assets of the Target Fund, any such borrowings to be from banks and to be effected only on a temporary basis, provided that the Company may acquire foreign currencies by means of back-to-back loans.

b) The Company may not grant loans to or act as guarantor on behalf of third parties.

This restriction shall not prevent the Company from (i) acquiring transferable securities, money market instruments or other financial instruments referred to in paragraph I. (1) e), g) and h) which are not fully paid, and (ii) performing permitted securities lending activities, that shall not be deemed to constitute the making of a loan.

c) The Company may not carry out uncovered sales of transferable securities, money market instruments or other financial instruments.

d) The Company may not acquire movable or immovable property.

e) The Company may not acquire either precious metals or certificates representing them.

IX. a) The Company need not comply with the limits laid down in the above mentioned investment restrictions when exercising subscription rights attaching to transferable securities or money market instruments which form part of its assets.

b) If the limits referred to in paragraph a) are exceeded for reasons beyond the control of the Company or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interest of its shareholders.

2.4. FEES, CHARGES AND EXPENSES OF THE TARGET FUND

	Charges	Remark
Initial charge	Not applicable to Share Class AM2	Not applicable
Management fee	Up to 1.35% p.a. of the net asset value of Share Class AM2 **Please note that management fee charged by the Target Fund will be borne by the Manager. There is no double charging of management fee.**	Borne by the Manager
Fund operation, administration and servicing expenses	Up to 0.35% p.a. of the net asset value of the Target Fund	Net asset value per Share of Share Class AM2 is net of expenses

AS THE FUND WILL BE INVESTING IN THE TARGET FUND, THE FUND WILL INCUR CERTAIN INDIRECT FEES CHARGED BY THE TARGET FUND, FOR EXAMPLE CUSTODIAN FEE AND FUND ADMINISTRATION FEE. ACCORDINGLY, UNIT HOLDERS SHOULD BE AWARE THAT THEY WILL BE SUBJECT TO HIGHER FEES ARISING FROM THE LAYERED INVESTEMENT STRUCTURE.

2.5. REDEMPTION LIMIT

In order to ensure that shareholders who remain invested in the Company are not disadvantaged by the reduction of the liquidity of the Company's portfolio as a result of significant redemption applications received over a limited period, the Company may apply the procedures set out below in order to permit the orderly disposal of securities to meet redemptions.

The Company, having regard to the fair and equal treatment of shareholders, on receiving requests to redeem shares amounting to 10% or more of the net asset value of the Target Fund:

a) shall not be bound to redeem on any Dealing Day a number of shares representing more than 10% of the net asset value of the Target Fund. If the Company receives requests on any Dealing Day for redemption of a greater number of shares, it may declare that such redemptions exceeding the 10% limit may be deferred by up to seven consecutive Dealing Days. On such Dealing Days such requests for redemption will be complied with in priority to later requests.
b) may elect to sell assets representing, as nearly as practicable, the same proportion of the Target Fund's assets as the shares for which redemption requests have been received. If the Company exercises this option, the amount due to the shareholders who have applied to have their shares redeemed will be based on the net asset value per share, calculated after such sale or disposal. Payment will be made forthwith upon completion of the sales and the receipt by the Company of the proceeds of sale in freely convertible currency. Receipt of the sale proceeds by the Company may however be delayed and the amount ultimately received may not necessarily reflect the net asset value per share calculation made at the time of the relevant transactions because of possible fluctuations in the currency values and difficulties in repatriating funds from certain jurisdictions.

Payment of redemption proceeds may be delayed if there are any specific statutory provisions such as foreign exchange restrictions, or any circumstances beyond the Company's control which make it impossible to transfer the redemption proceeds to the country where the redemption was requested.

2.6. SUSPENSION OF THE CALCULATION OF THE NET ASSET VALUE AND ISSUE, ALLOCATION, CONVERSION, REDEMPTION AND REPURCHASE OF SHARES

The management company of the Target Fund, on behalf of the Company, may suspend the issue, allocation, redemption and repurchase of shares relating to the Target Fund and the calculation of the net asset value per share relating to the Target Fund:

a) during any period when any market(s) or stock exchange(s), which is the principal market(s) or stock exchange(s) on which a material part of the investments (e.g. 20% or above) of the Target Fund for the time being are quoted, is closed, or during which dealings are substantially restricted or suspended;
b) during the existence of any state of affairs which constitutes an emergency as a result of which disposal of investments of the Target Fund is not possible;
c) during any breakdown in the means of communication normally employed in determining the price of any of the Target Fund's investments or the current prices on any market or stock exchange;
d) during any period when remittance of monies which will or may be involved in the realisation of, or in the repayment for any of the Target Fund's investments is not possible;
e) if the Company or the Target Fund is being or may be wound up on, or following the date on which notice is given of the general meeting of shareholders at which a resolution to wind up the Company or the Target Fund is to be proposed;
f) during any period when in the opinion of the board of directors of the Company there exist circumstances outside the control of the Company where it would be impracticable or unfair towards the shareholders to continue dealing in shares of the Target Fund; or
g) during any period when the determination of the net asset value per share of investment funds representing a material part of the assets of the Target Fund is suspended.

The Company may cease the issue, allocation, conversion, redemption and repurchase of the shares forthwith upon the occurrence of an event causing it to enter into liquidation or upon the order of the CSSF.

If the Fund has requested conversion, redemption or repurchase of its shares will be promptly notified in writing of any such suspension and of the termination thereof.

2.7. ANTI-DILUTION MECHANISMS

When investors buy or sell shares in the Target Fund, the investment adviser of the Target Fund may need to buy or sell the underlying investments within the Target Fund. Without an anti-dilution mechanism to take account of these transactions, all investors in the Target Fund would pay the associated costs of buying and selling these underlying investments. There are two anti-dilution mechanisms available to the Target Fund, a pricing adjustment and an anti-dilution levy.

<u>Pricing Adjustment</u>
The pricing adjustment aims to mitigate the effect of transactions costs on the net asset value per shares of the Target Fund incurred by significant net subscriptions or redemptions.

The pricing adjustment mechanism has three main components:

- A threshold rate

- A buy adjustment rate
- A sell adjustment rate

The pricing adjustment is triggered when the difference between subscriptions and redemptions, as a percentage of the Target Fund's net asset value, exceeds the threshold on any particular Dealing Day. The net asset value of the Target Fund will be adjusted up or down using the adjustment rates (buy adjustment rate for net subscriptions or sell adjustment rate for net redemptions). The adjustment of the net asset value per share will apply equally to each class of share in the Target Fund on any particular Dealing Day.

If it is in the interests of investors, when the net capital inflows or outflows in the Target Fund exceeds a predefined threshold agreed from time to time by the board of directors of the Company, the net asset value per share may be adjusted by a maximum of 2% in order to mitigate the effects of transaction costs.

Anti-Dilution Levy
The anti-dilution levy aims to mitigate the effect of transactions costs on the net asset value of the Target Fund incurred by net subscriptions or redemptions.

The anti-dilution levy has three main components:
- A threshold rate
- A buy rate
- A sell rate

The anti-dilution levy is triggered when the difference between subscriptions and redemptions, as a percentage of the Target Fund's net asset value, exceeds the threshold on any particular Dealing Day. In the case of net capital inflows, the anti-dilution levy will be deducted from each subscription amount and accordingly reduce the number of shares received by an investor or, in the case of net capital outflows, will be deducted from each redemption amount and accordingly reduce the redemption proceeds received by an investor.

The amount of the anti-dilution levy may be reduced or waived at the discretion of the board of directors of the Company. The anti-dilution levy may be up to a maximum of 2% in order to mitigate the effects of transaction costs.

3. FEES, CHARGES AND EXPENSES

3.1. CHARGES DIRECTLY INCURRED

3.1.1 Sales Charge

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

Distribution Channels[1]	Sales Charge (applicable to all Classes of Units)
IUTA UTC Manager	Up to 5.50% of the NAV per Unit

[1] *Sophisticated Investors may subscribe for Units via one or more of the distribution channels.*

The charges are negotiable. The Manager may at its discretion charge a lower sales charge, subject to qualifying criteria. All charges will be rounded up to two (2) decimal places and will be retained by the Manager.

Note: Sophisticated 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).

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.

3.1.2 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.

3.1.3 Transfer Fee

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

3.1.4 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;
- 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
Fund A Sales charge: 3.00% of NAV per Unit of the Fund/Class	**Fund B** Sales charge: 5.50% of NAV per Unit of the Fund/Class	Differential in sales charge: 5.50% – 3.00% = 2.50%

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 (includes RM Hedged-Class)	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.

Please note switching into the Class of the Fund is only applicable for Sophisticated Investors. The Manager has the discretion to waive the switching fee.

3.1.5 Policy on Rounding Adjustment

In calculating a Unit Holder's investments, the NAV per Unit of the Class 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.

3.2. FEES INDIRECTLY INCURRED

3.2.1 Annual Management Fee

Up to 1.80% of the NAV of the Fund per annum calculated and accrued on a daily basis.

3.2.2 Annual Trustee Fee

0.04% per annum of the NAV of the Fund (excluding foreign custodian fees and charges). This 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 of Units.

Please refer to section 4.2, Computation of NAV and NAV per Unit on how the annual management fee and annual trustee fee is calculated.

The Manager may, for any reason at any time, waive, or reduce the amount of any fees (except the trustee fees) or other charges payable by you in respect of the Fund, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor) and for any period or periods of time at its absolute discretion.

3.3. EXPENSES

Only the expenses which are directly related and necessary to the business of the Fund may be charged to the Fund. 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 or difference accounts;

(b) tax and other duties charged on the Fund by the government and other authorities (if any) and bank fees;

(c) the fees and other expenses properly incurred by the auditor and tax agent;

(d) fees for valuation of any investment of the Fund by independent valuers for the benefit of the Fund;

(e) costs incurred for any modification of the Deed other than for the benefit of the Manager or the Trustee;

(f) costs incurred for any meeting of the Unit Holders other than those convened for the benefit of the Manager or the Trustee;

(g) the sale, purchase, insurance, custody and any other dealings of investments including commissions/fees paid to brokers;

(h) costs involved with external specialists approved by the Trustee in investigating or evaluating any proposed investment;

(i) costs incurred in engaging any valuer, adviser or contractor for all kinds;

(j) costs incurred in the preparation and audit of the taxation returns and accounts of the Fund;

(k) costs incurred in the termination of the Fund or Class(es) and the retirement or removal of the Trustee or the Manager and the appointment of a new trustee or manager;

(l) costs, fees and expenses incurred in relation to any proceedings, arbitration or other dispute concerning the Fund, Class(es) or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund or Class(es) (except 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);

(m) 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;

(n) (where the custodial function is delegated by the Trustee to a foreign sub-custodian), charges and fees paid to the foreign sub-custodian;

(o) costs and fees incurred on financing of borrowing and/or securities lending carried out by the Fund;

(p) costs and fees for the printing and posting of the quarterly reports and annual report for the Fund;

(q) costs and/or 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;

(r) remuneration and out-of-pocket expenses of independent members in the investment committee, unless the Manager decides to bear the same; and

(s) costs of obtaining expert opinion by the Trustee and the Manager for the benefit of the Fund or its Class(es).

3.4. OTHERS

Policy on Rebates and Soft Commissions

It is the policy of the Manager to credit any rebates (if any) into the account of the Fund. The Manager may retain soft commissions received from brokers for goods and services which are of demonstrable benefit to the Fund and advisory services that assist in the decision-making process relating to the investment of the Fund such as research materials, data and quotation services, computer software, investment advisory services and investment related publications which are incidental to the investment management activities of the Fund. Dealings with the brokers/dealers are executed on terms which are the best available to the Fund.

Applicable tax

All fees and charges (e.g. sales charge, switching fee, transfer fee, management fee, trustee fee and any other relevant fee(s) and/or charge(s)), where applicable, may be subject to 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. Fees and charges disclosed are exclusive of any taxes.

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

4. TRANSACTION INFORMATION

4.1. DETERMINATION OF PRICES

4.1.1 Valuation Basis

The Manager will ensure that all the Fund's assets are valued at fair value and be in compliance with all relevant laws at all times. The valuation bases for the Fund's investments are as follows:

Investment Instruments	Valuation Basis
Unlisted CIS (i.e. the Target Fund)	Unlisted CIS are valued based on the last published redemption price per unit. If the last published redemption price is unavailable, the price will be determined by the Manager, verified by the auditor and approved by the Trustee.
Placement of deposits	Placement of deposits placed in financial institutions is valued daily with reference to the principal value of such investments and the interest accrued thereon for the relevant period.
Money market instruments	Money market instruments such as banker acceptance and negotiable certificate of deposits are valued daily by reference to the value of such investments and interest accrued thereon for the relevant period.
Financial derivatives instruments	Derivatives are marked-to-market on a daily basis, where possible. Otherwise, the valuation will be based on fair value as determined in good faith by the Manager using methods and bases that have been verified by the Fund's auditor and approved by the Trustee.

Where the value of the Fund's assets are denominated in currency other than 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 U.K. time 4.00 p.m. the same day in accordance with FIMM's Investment Management Standard, or such other time as may be prescribed from time to time by the relevant laws.

4.1.2 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. However, as the Fund has exposure to investments (i.e. the Target Fund) outside of Malaysia, the Fund shall be valued at or before 5.00 p.m. on the next Business Day (or "T+1"). For example, to determine the NAV of the Fund/ Class(es) for Monday, 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.

4.1.3 Pricing Policy

The Manager adopts the single pricing policy which is in line with the SC's requirement for the Malaysian unit trust industry. Under this regime, both the selling and buying price of Units of the Class 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 repurchase 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. Any application received after the 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 Unit Holders 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 Fund/Class is computed by dividing the NAV of the Fund/Class with the total number of Units in circulation, at the valuation point.

If there are no units left in the Fund/ Class (e.g. due to full redemption by investors), the last transacted NAV per Unit of the Fund/ Class will be used for the next subscription into the Fund/ Class.

Incorrect Pricing
Subject to any relevant law, if there is an error in the pricing of the Class' NAV per Unit, the Manager will take immediate remedial action to correct the error. Rectification shall, where necessary, extend to the reimbursements of money as follows if the error is at or above the significant threshold of 0.5% of the NAV per Unit:

(a) if there is an over pricing in relation to the purchase and creation of Units, the Fund shall reimburse the Unit Holder;
(b) if there is an over pricing in relation to the redemption of Units, the Manager shall reimburse the Fund;
(c) if there is an under-pricing in relation to the purchase and creation of Units, the Manager shall reimburse the Fund; and
(d) if there is an under-pricing in relation to the redemption of Units, the Fund shall reimburse the Unit Holder or former Unit Holder.

Unless the Trustee directs otherwise, 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 or where the total impact on an individual account is less than 10.00 in absolute amount of the Fund/Class's respective denomination. This is because the reprocessing costs may be greater than the amount of the adjustment.

4.2. 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 USD 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. For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is inclusive of the management fee and the trustee fee for the relevant day. As the Fund has more than one Class of Units, there shall be a NAV of the Fund attributable to each Class of Units.

The NAV per Unit of a Class of Units (i.e. RM Hedged-Class and USD Class) is the NAV of the Fund attributable to a particular Class of Units divided by the number of Units in circulation for that particular Class of Units, at the same valuation point.

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

	Fund		USD Class		RM Hedged-Class	
Ratio between NAV of the Classes	**100%**		40%		60%	
Investments	**USD**	**120,000,000**	USD	48,000,000	USD	72,000,000
Hedging profit/(loss)	**USD**	**20,000**	USD	-	USD	20,000
Other assets (including cash)	**USD**	**1,000,000**	USD	400,000	USD	600,000
Total assets	**USD**	**121,020,000**	USD	48,400,000	USD	72,620,000
Liabilities	**USD**	**(500,000)**	USD	(200,000)	USD	(300,000)
NAV (before deducting management fee and trustee fee)	**USD**	**120,520,000**	**USD**	**48,200,000**	**USD**	**72,320,000**
<u>Expenses</u>						
Management fee	**1.80%**					
Management fee for the day	USD	5,943.45	USD	2,376.99	USD	3,566.47
(1.80% ÷ 365 days)						
Trustee fee	**0.04%**					
Trustee fee for the day	USD	132.08	USD	52.82	USD	79.25
(0.04% ÷ 365 days)						
Total Expenses	USD	6,075.53	USD	2,429.81	USD	3,645.72
NAV	**USD**	**120,513,924.47**	**USD**	**48,197,570.19**	**USD**	**72,316,354.28**
Units in circulation			47,000,000		285,000,000	
NAV per Unit in Base Currency			USD	1.0255	USD	0.2537
Exchange rate at USD1=RM4.00						
NAV per Unit of each Class (after deducting management fee and trustee fee)			**USD**	**1.0255**	**RM**	**1.0150**

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

4.3. INFORMATION ON PURCHASING AND REDEEMING UNITS

Units can be purchased and redeemed by completing the ‘Account Opening Form’ or ‘Redemption Form’ which can be obtained from:

- 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.manulifeinvestment.com.my (Not applicable to purchase of Units for the first time);
- direct mail/fax to you by contacting the Manager’s Customer Service Hotline; or
- any of the Manager’s authorized distributors.

Application 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 funds/class denominated in RM currency only. Online transactions are not applicable to purchase of Units or switching into the Fund for the first time.

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.

4.3.1 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 Information Memorandum before completing the form.

Classes	**RM Hedged-Class**	**USD Class**
Minimum Initial Investment	RM5,000.00	USD5,000.00
	or such other lower amount as the Manager may from time to time decide.	
Minimum Additional Investment	RM1,000.00	USD1,000.00
	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.

Sophisticated 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 transfers.

4.3.2 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.

4.3.3 Cooling Off

The cooling-off period is only applicable to any person investing for the first time in any unit trust funds managed by the Manager and excludes corporations/institutions, staff of the Manager and persons registered to deal in unit trusts. 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. A full refund of the money initially invested (including the sales charge, if any) will be refunded to you within 10 calendar days from the receipt of the application for cooling-off by the Manager.

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

4.3.4 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' NAV per Unit as at the next valuation point (i.e. Forward Pricing).

For all Classes of Units:

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

The redemption proceeds will be paid within ten (10) Business Days from the date on which the request to redeem is received by the Manager. The payment periods may be extended due to redemption limit, suspension of dealing and delay in settlement of transaction by the Target Fund.

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 of Fund which you have invested in. Eg. If you invest in USD class, we can only make payment in USD into your designated foreign currency account.

4.3.5 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 and is subject to the minimum holding/ balance and minimum initial or additional investment amount of the respective funds.

Please note switching into the Fund is only applicable for Sophisticated Investors.

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 limited to the 3 funds.

4.3.6 Transfer

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

The minimum transfer quantity is 1,000 Units and is subject to the minimum holding/ balance and minimum initial or additional investment amount of the respective funds.

Please refer to page 56 for a list of distribution channels and branches.

4.4. DISTRIBUTION PAYMENT

Unit Holders may choose to receive or reinvest any income distribution declared as follows:

a) income distribution will be reinvested into additional Units of the Class. No sales charge will be imposed; or
b) the income distribution will be credited directly into the Unit Holder's bank account in the currency denomination of the Class (the applicable cost and expenses will be borne by Unit Holder).

Income distribution will be automatically reinvested, if:

a) no distribution choice is made on the Fund's Account Opening Form; or
b) the income distribution amount is less than RM100.00 (for RM Hedged-Class) or 300.00 in the respective currency of other Classes, or such amount as may be determined by the Manager from time to time.

In the absence of a valid bank account, the distribution (if any) will be reinvested.

Under the reinvestment policy, income distribution proceeds which are reinvested as additional Units of the Class will be based on the NAV per Unit on the Business Day following the income distribution declaration date. The reinvestment of such additional Units will only be done within 14 days of 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.

4.5. SUSPENSION OF DEALING IN UNITS

The Trustee may suspend dealing in Units of the Fund:–
(a) where requests are made by the Manager to cancel Units to satisfy a redemption request and the Trustee considers that it is not in the best interest of Unit Holders to permit the Fund's assets to be sold or that the Fund's assets cannot be liquidated at an appropriate price or on adequate terms; or
(b) due to exceptional circumstances, where there is good and sufficient reason to do so, considering the interests of Unit Holders..

4.6. POLICY AND PROCEDURES ON UNCLAIMED MONIES

Any monies payable to Unit Holders which remain unclaimed after one year from the date of payment will be handled by the Manager in accordance with the requirements of the Unclaimed Monies Act, 1965.

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

5. THE MANAGEMENT COMPANY

5.1. CORPORATE INFORMATION

The Manager, Manulife Investment Management (M) Berhad *(formerly known as Manulife Asset Management Services Berhad)*, was incorporated in Malaysia on 30 September 2008 under the Companies Act, 1965. 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 Licence 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 Capital Markets Services Licence 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 business and assets of MAAKL Mutual Bhd has been merged with Manulife Asset Management Services Berhad. The merged entity has more than 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 300 fund managers, analysts and traders who together provide comprehensive asset management solutions.

5.2. DUTIES AND RESPONSIBILITIES 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; ensuring compliance with stringent internal procedures and guidelines of relevant authorities and relevant laws.

5.3. OTHER INFORMATION

Further information on the Manager, board of directors, investment committee and investment team is provided in our website at www.manulifeinvestment.com.my.

6. The Trustee

HSBC (Malaysia) Trustee Berhad (Company No. 193701000084 (1281-T)) (the "Trustee") 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 13th Floor, Bangunan HSBC, South Tower, No. 2, Leboh Ampang, 50100 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, 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, 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 Ltd as 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 their nominee company, HSBC Nominees (Tempatan) Sdn Bhd and/or HSBC Bank Malaysia Berhad. The Hongkong and Shanghai Banking Corporation Ltd 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 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 6111

For local asset:

The Hongkong And Shanghai Banking Corporation Limited (As Custodian) and assets held through HSBC Nominees (Tempatan) Sdn Bhd (Co. No. 258854-D)
No 2 Leboh Ampang
50100 Kuala Lumpur
Telephone No: (603)2075 3000 Fax No: (603)2179 6488

The Hongkong And Shanghai Banking Corporation Limited (As Custodian) and assets held through HSBC Bank Malaysia Berhad (Co. No. 127776-V)
No 2 Leboh Ampang
50100 Kuala Lumpur
Telephone No: (603)2075 3000 Fax No: (603)2179 6488

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

HSBC Investment Funds (Luxembourg) S.A., HSBC Global Asset Management (UK) Limited, HSBC Global Asset Management (USA) Inc, HSBC Bank plc, Luxembourg Branch, and the Trustee are members of the HSBC Group and are ultimately owned by HSBC Holdings plc.

Additionally, as 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 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 favourable to the Fund than an arms-length transaction between independent parties.

Subject to the above and any local regulations, the Trustee and/or its related group of companies may deal with each other, the Fund or any 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 this 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, 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.

Further information on the Trustee is provided in our website at www.manulifeinvestment.com.my.

7. 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:

Name of Party involved in the transaction	Nature of Transaction	Name of Related Party	Relationship
The Manager	Providing internal audit, corporate secretarial and human resources services to the Manager.	Manulife Holdings Berhad (MHB)	The Manager is a wholly owned subsidiary of MHB.
The Manager	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.

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 members of the investment committee 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. Policies and procedures are also in place to deal with any potential conflict of interest where members of the investment committee are also directors of other asset management companies. Where conflicts of interest arise, members of the investment committee will abstain from making a decision. As at 31 December 2019, each member of the Fund's investment committee do not hold any position as: (i) a director of another management company outside the Manulife group of companies and/or (ii) an investment committee member of a fund managed by another management company outside the Manulife group of companies.

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 Information Memorandum 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.

None of the directors or the sole shareholder of the Manager have any direct or indirect interest in other corporations carrying on a similar business as the Manager in Malaysia.

7.1. ADVISERS

The solicitor has confirmed that they have no existing/potential interest or conflict of interest or potential conflict of interest with the Manager or the Fund.

7.2. CROSS TRADE

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

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

- the cross trade is in the best interests of both portfolios;
- the cross trade is executed on an arm's length and fair value basis;
- the reason for such trades are documented and approval of the Chief Executive Officer is obtained prior to execution; and
- the cross trade transaction is disclosed to clients of both funds.

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 investment committee.

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

8. 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.manulifeinvestment.com.my.

Avenue for advice

Unit Holders may seek clarification on their investments from the Manager's Customer Service personnel at (03) 2719 9271 or Facsimile No. (03) 2094 7654 from 8.45 a.m. to 5.30 p.m. Inquiries can also be made through our e-mail at MY_CustomerService@manulife.com. Alternatively, Unit Holders may visit the Manager's office at 13th Floor, Menara Manulife, 6, Jalan Gelenggang, 50490 Kuala Lumpur.

Statements and annual/ interim reports

Confirmation of investment statements detailing Unit Holders' investment, which will be sent within 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 interim reports will be made available in the Manager's website at www.manulifeinvestment.com.my. The annual report will be available within two (2) months of the Fund's financial year end and the quarterly report within two (2) months from the end of the period covered. i.e. for a financial year/ period ending 31 March, the annual/interim report will be available by end of May.

8.1. 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 (AMLATF) 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 scrutinizes 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 Intelligent and Enforcement Department of Bank Negara Malaysia.

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
Email :
MY_CustomerService@manulife.com
Website : www.manulifeinvestment.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

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

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

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

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

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

Ipoh
No. 1, 1A & 1B
Pusat Perdagangan Canning 2
Pusat Perdagangan Canning
31400 Ipoh, Perak.
Tel : 05-541 6839
Fax : 05-541 6627

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

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

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

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

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 & 2nd Floor
Parkcity Commerce Square
Jalan Tun Ahmad Zaidi
97000 Bintulu, Sarawak.
Tel : 086-343 288
Fax : 086-343 289

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Manulife Investment Management

Manulife Investment Management (M) Berhad
(formerly known as Manulife Asset Management Services Berhad)
200801033087 (834424-U)
13th Floor, Menara Manulife
6, Jalan Gelenggang, Damansara Heights
50490 Kuala Lumpur
Tel: (03) 2719 9228 Fax: (03) 2094 7654
Customer Service Hotline: (03) 2719 9271
E-mail: MY_CustomerService@manulife.com
www.manulifeinvestment.com.my