



7 February 2024

Dear Unit Holders,

ISSUANCE OF REPLACEMENT INFORMATION MEMORANDUM IN RELATION TO THE TA FLEXIBLE ASIAN BOND FUND (“FUND” OR “REPLACEMENT INFORMATION MEMORANDUM”)

We, TA Investment Management Berhad (“the “Manager””) would like to inform you that a Replacement Information Memorandum will be issued to reflect the proposed amendments made to the Fund, including updates to the Fund to be in line with changes to or requirements of the relevant laws. Please refer to Appendix 1 on the list of significant or material information.

Please note that the proposed amendments do not represent all the amendments which will be made via the Replacement Information Memorandum, and is subject to changes as may be required from time to time.

The changes of the Fund shall apply on the date of issue of the Replacement Information Memorandum which will be lodged with the Securities Commission Malaysia via Lodge and Launch Framework, targeting mid to end February 2024.

Please note that the Replacement Information Memorandum will be available on our website at www.tainvest.com.my on the date of issue of the Replacement Information Memorandum.

Should you require further clarifications on the above matter, you may contact us at (603) 2031 6603 or email us at investor.taim@ta.com.my.

Appendix 1

Proposed Amendments

1. Investment strategy of the Fund will be updated to the following:

The Fund seeks to achieve its objective by investing a minimum of 85% of the Fund's NAV in the CT (Lux) Flexible Asian Bond ("Target Fund") and the remainder of the Fund's NAV will be invested in liquid assets.

The Fund may employ currency hedging strategies to hedge the foreign currency exposure to manage the currency risk of the hedged Classes which are not denominated in the Base Currency. If and when the Manager considers the investment in the Target Fund is unable to meet the objective of the Fund, the Manager may choose to replace the Target Fund with another collective investment scheme that is deemed more appropriate. The Manager will seek Unit Holders' approval before such change is made.

The Fund may change its investments in one class of the Target Fund into another class of the Target Fund (which must be denominated in the same currency) if the Manager is of the opinion that the change is in the interest of the Unit Holders. If the Manager wishes to effect such change, the Manager will seek concurrence from the Trustee and the Unit Holders will be notified before the implementation of such change. Please refer to Chapter 3, The Information on CT (Lux) Flexible Asian Bond ("Target Fund") for details of the Target Fund. Investors may obtain a copy of the Target Fund's Prospectus from the Manager upon request.

2. Asset allocation of the Fund will be updated to the following:

- A minimum of 85% of the Fund's NAV will be invested in the Target Fund;
- A maximum of 15% of the Fund's NAV will be invested in liquid assets.

3. Distribution policy will be updated to the following:

The Fund intends to distribute income, if any, on a monthly or a quarterly basis, at the Manager's discretion.

The distribution, if any, may be made from (1) realised income, (2) realised gains, (3) unrealised income, (4) unrealised gains, (5) capital or (6) a combination of any of the above. The Manager has the right to vary the frequency and/or amounts of distributions.

The effects of distributing income out of capital would include but are not limited to the following:

- the value of the investments in the Fund may be reduced;
- the capital of the Fund may be eroded.

The distribution is achieved by forgoing the potential for future capital growth. As a result, the value of future returns would be diminished and there would be an impact on the future growth potential of the Fund as the available assets to grow in the future is the net of the expenses charged to the Fund. Please note that if distribution is made, such distribution is not a forecast, indication or projection of the future performance of the Fund.

Note: 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.

4. Specific risks associated with the Fund will be updated to include the following:

Distribution Out of Capital Risk

Distribution may be paid out of capital when the realised gains or realised income of the Fund is insufficient to pay a distribution. Unit Holders should note that the payment of distribution out of capital represents a return or withdrawal of part of the amount from any capital gains attributable to the original investment. Such distribution may result in an immediate decrease in the NAV per Unit of the Class and in the capital of the Fund which is available for investment in the future. As a result, capital growth may be reduced and a high distribution yield from distribution out of capital does not imply a positive or high return on Unit Holders' total investments.

5. Risk mitigation of the Fund will be updated to the following:

We do not employ risk management strategy on the portfolio of the Target Fund. The risk management strategies and techniques employed will be at the Target Fund level, where the Sub-Advisor combines financial techniques and instruments to manage the overall risk of the Target Fund's portfolio including diversification in terms of its exposure to various countries, industries and sectors.

As this is a feeder fund, the Manager does not intend to take a temporary defensive position for the Fund during adverse market, economic and/or any other conditions. However, in such conditions the Manager may decide to temporarily lower the asset allocation or exposure of the Fund in the Target Fund to below 85% of the Fund's NAV should the Manager decide that this will be in the best interest of the Unit Holders.

To avoid suspension of the Fund, the Fund will hold adequate liquid assets (up to 15% of the Fund's NAV) and if the liquid assets are insufficient to meet redemption requests, the Manager may seek temporary financing if this is in the best interests of Unit Holders. If the Manager has exhausted all possible avenues to avoid a suspension of the Fund, the Manager may as a last resort, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the redemption of Units where it is impractical for the Manager to calculate the NAV of the Fund due to market value or fair value of the investment in the Target Fund cannot be determined. Please note that during the suspension period, there will be no NAV per Unit available and hence, any application for subscription, redemption or switching of Units received by the Manager during the suspension period will only be accepted and processed on the next Business Day after the cessation of the suspension. Unit Holders will be notified of the suspension and when the suspension is lifted.

6. Other expenses related to the Fund will be updated to include the following:

- remuneration and out of pocket expenses of person(s) undertaking the oversight functions of the Fund and/or the members of the shariah committee or advisers (if any) of that Fund, unless the Manager decides to bear the same
- fees in relation to fund accounting
- costs, fees and expenses incurred for the subscription, renewal and/or licensing of the performance benchmark for the Fund

7. The investment in the Target Fund will be switched from "Distribution Shares" to "Accumulation Shares" which are denominated in the same currency i.e.: USD.