

PROSPECTUS

PUBLIC *e*-ISLAMIC INDIA GLOBAL EQUITY FUND

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

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

This Prospectus is dated 24 September 2024

Date of Constitution of the Fund: 24 September 2024



The Manager:
Public Mutual Berhad
(197501001842 (23419-A))

Trustee:
AmanahRaya Trustees Berhad
(200701008892 (766894-T))



PUBLIC MUTUAL
WHOLLY-OWNED SUBSIDIARY OF PUBLIC BANK

Responsibility Statement

This Prospectus has been reviewed and approved by the directors of Public Mutual 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 the Prospectus false or misleading.

Statements of Disclaimer

The Securities Commission Malaysia has authorised the fund and a copy of this Prospectus has been registered with the Securities Commission Malaysia.

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

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

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

Additional Statement

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 Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to the Prospectus or the conduct of any other person in relation to the fund.

Public e-Islamic India Global Equity Fund has been certified as Shariah-compliant by the Shariah Adviser appointed for the fund.

IF A FUND DECLARES DISTRIBUTION OUT OF CAPITAL, THE CAPITAL OF THE FUND WILL BE ERODED IF THE DISTRIBUTION IS ACHIEVED BY FORGOING THE POTENTIAL FOR FUTURE CAPITAL GROWTH AND THIS CYCLE MAY CONTINUE UNTIL ALL CAPITAL IS DEPLETED.



GLOSSARY OF TERMS/ABBREVIATIONS	3-6
CORPORATE DIRECTORY	7
1. INFORMATION ON THE FUND	8-19
1.1 Fund Profile	8
1.2 Risk Factors	10
1.3 Permitted Investments	12
1.4 Investment Restrictions	13
1.5 Valuation of Permitted Investments	16
1.6 Shariah Screening Process for The Fund	17
1.7 Purification Process for The Fund	19
1.8 Zakat for The Fund	19
1.9 Cross Trade Policy	19
2. FEES, CHARGES AND EXPENSES	20-21
2.1 Charges Imposed on Purchase and Redemption of Units	20
2.2 Fees and Expenses of The Fund	21
2.3 Policy on Stockbroking Rebates and Soft Commissions	21
3. TRANSACTION INFORMATION	22-29
3.1 Determination of Prices	22
3.2 Computation of Prices	23
3.3 Where to Purchase or Redeem Units of The Fund	24
3.4 How to Purchase Units of The Fund	25
3.5 How to Redeem Units of The Fund	27
3.6 How to Switch Units Between Funds	27
3.7 How to Transfer Units of The Fund	27
3.8 Minimum Account Balance	27
3.9 Cooling-Off Right	27
3.10 Distribution	28
3.11 Unclaimed Monies	28
3.12 Keeping Track of Your Investments	29
3.13 Avenue for Advice	29
4. THE MANAGER	30-31
4.1 Corporate Profile of Public Mutual	30
4.2 Roles, Duties and Responsibilities of The Manager	30
4.3 The Investment Team	30
4.4 Related Party Transactions/Conflict of Interest	30
4.5 Documents Available for Inspection	31
4.6 Policies and Procedures on Money Laundering Activities	31
5. THE TRUSTEE	32
5.1 Corporate Profile of AmanahRaya Trustees Berhad	32
5.2 Roles, Duties and Responsibilities of The Trustee	32
6. THE SHARIAH ADVISER	33
6.1 General Information on ZICO Shariah	33
6.2 Roles and Responsibilities of The Shariah Adviser	33



7. SALIENT TERMS OF THE DEED	34-37
7.1 Unitholders' Rights and Liabilities	34
7.2 Maximum Fees and Charges Permitted by The Deed	34
7.3 Permitted Expenses Payable Out of The Fund	35
7.4 Retirement, Removal and Replacement of The Manager	35
7.5 Retirement, Removal and Replacement of The Trustee	36
7.6 Termination of The Fund	36
7.7 Unitholders' Meeting	37
7.8 Classes of Units	37
TAXATION OF THE FUND AND UNITHOLDERS	38-42
DIRECTORY OF PUBLIC MUTUAL BRANCH OFFICES AND CUSTOMER SERVICE CENTRES	43-45
DIRECTORY OF PUBLIC MUTUAL AGENCY OFFICES	46
IUTA OF THE FUND	47



GLOSSARY OF TERMS/ABBREVIATIONS

ART or the Trustee	AmanahRaya Trustees Berhad (200701008892 (766894-T))
blue chip stocks	High quality stocks of companies which have a track record of stable earnings and dividends of at least 10 years.
Bursa Securities	Bursa Malaysia Securities Berhad
Business Day(s)	Each weekday in which Bursa Securities is open for dealing. <i>Note: The Manager may declare certain Business Days to be a non-Business Day, although Bursa Securities is open for business, if one or more of the foreign markets in which the Fund is invested therein are closed for business. This is to ensure that you will be given a fair valuation of the Fund at all times, be it when purchasing or redeeming units of the Fund.</i>
CMSA 2007	Capital Markets and Services Act 2007 as originally enacted and amended from time to time.
CMSRL	Capital Markets Services Representative's Licence
cooling-off right	The right of an individual investor who is investing with Public Mutual for the first time, to change his mind and cancel an investment within 6 Business Days from the date of receipt by Public Mutual, of the investment application form and payment and obtain a refund within 7 Business Days from the date of receipt of cooling-off notice by Public Mutual. The cooling-off right, however, does not extend to the staff of Public Mutual and persons registered with a body approved by the SC to deal in unit trust funds.
corporate representatives	Staff of IUTA(s) who have been appointed and trained to deal in unit trust funds, and are registered with FIMM.
Eligible Market	An exchange, government securities market or an over-the-counter (OTC) market– (a) that is regulated by a regulatory authority of that jurisdiction; (b) that is open to the public or to a substantial number of market participants; and (c) on which financial instruments are regularly traded.
FIMM	Federation of Investment Managers Malaysia
forward pricing	The purchase or redemption of units is based on the NAV per unit of the fund next determined or calculated after the application to purchase or redemption request from unitholder(s) is received by the Manager in proper form.
GDP	Refers to Gross Domestic Products which is the monetary value of all finished goods and services produced within a country in a specific period of time.
growth stocks	Stocks of companies with potential price appreciation where the earnings growth potential of the companies is projected to exceed the GDP growth of the country in which the stock is listed in.
IIMM	Islamic Interbank Money Market



GLOSSARY OF TERMS/ABBREVIATIONS (CONT'D)

incidental	The term “incidental” in relation to distribution policy of the Fund implies that the main focus of the Fund will be on securing capital growth.
index stocks	Index component stocks of a selected benchmark market index.
Islamic deposits	Sum of money placed with licensed financial institutions in accordance with Shariah principles and the Islamic Financial Services Act 2013.
IUTA	Institutional Unit Trust Scheme Adviser IUTA is a corporation registered with FIMM and authorised to market and distribute unit trust schemes to another party.
long term	Long term refers to a period of more than 5 years.
NAV	Net Asset Value (“NAV”) of the fund is determined by deducting the value of all the fund’s liabilities (include all amounts payable by the fund, accrued expenses and taxes, and any appropriate provisions for contingencies) from the value of the fund’s assets, at the valuation point. For the purpose of computing the annual management fee and the annual trustee fee, the NAV of the fund should be inclusive of the management fee and trustee fee for the relevant day.
NAV per unit	The NAV per unit is the NAV of a fund divided by the number of units in circulation at the valuation point. It forms the basis upon which the prices of units of a fund are calculated.
OTC	Over-the-counter
PellGEF or the Fund	Public e-Islamic India Global Equity Fund
PeINCF	Public e-Income Fund
PeSINCF	Public e-Islamic Income Fund
PHS	Product Highlights Sheet
PMO	Public Mutual Online (“PMO”) is an online facility which allows you to perform fund transactions (such as purchase, redemption and switching of units) and gives you quick and easy access to information on your investments. You may register online for PMO via our website or through our Smart kiosks located at our branches or Customer Service Centre at the 1 Utama Shopping Centre.
Prospectus	Prospectus of PellGEF
Public Bank	Public Bank Berhad (196501000672 (6463-H))



GLOSSARY OF TERMS/ABBREVIATIONS (CONT'D)

Public e-Series of Funds	<p>Funds under this series include Public e-Artificial Intelligence Technology Fund, Public e-Carbon Efficient Fund, Public e-Pioneer Entrepreneur Fund, Public e-Asia Evolving Growth Fund, Public e-AvantGarde Focus Fund, Public e-Flexi Allocation Fund, Public e-Asia Pacific REITs Flexi Fund, Public e-Ataraxia Mixed Asset Fund, Public e-Worldwide Thematic Growth Balanced Fund, Public e-Income Fund, Public e-Enhanced Money Market Fund, Public e-Cash Deposit Fund and Public e-Emas Gold Fund.</p> <p><i>Please refer to our website at www.publicmutual.com.my for the current list of funds under this series.</i></p>
Public e-Series of Shariah-based Funds	<p>Funds under this series include Public e-Islamic India Global Equity Fund, Public e-Islamic Sustainable Millennial Fund, Public e-Islamic Pioneer Entrepreneur 40 Fund, Public e-Islamic Innovative Technology Fund, Public e-Islamic Asia Thematic Growth Fund, Public e-Islamic Growth Fund, Public e-Islamic Flexi Allocation Fund, Public e-Al-Mutawazan Strategy Fund, Public e-Sukuk Fund, Public e-Islamic Income Fund and Public e-Islamic Cash Deposit Fund.</p> <p><i>Please refer to our website at www.publicmutual.com.my for the current list of funds under this series.</i></p>
Public Mutual or the Manager	Public Mutual Berhad (197501001842 (23419-A))
RM	Ringgit Malaysia
SAC BNM	Shariah Advisory Council of Bank Negara Malaysia
SACSC	Shariah Advisory Council of the Securities Commission Malaysia
SC	Securities Commission Malaysia
SC Guidelines	Guidelines on Unit Trust Funds issued by SC and as may be amended or replaced from time to time.
Shariah	Islamic law originating from the Qur'an (the holy book of Islam), and its practices and explanations rendered by the prophet Muhammad (pbuh) and ijihad of ulamak (personal effort by qualified Shariah scholars to determine the true ruling of the divine law on matters whose revelations are not explicit).
Shariah-compliant securities equivalent to shares	Shariah-compliant securities equivalent to shares include units or shares in Islamic business trusts, Islamic depository receipts, Islamic participatory notes, Shariah-compliant rights, Shariah-compliant warrants and any other Shariah-compliant rights, Islamic options or interests that can be converted into new Shariah-compliant shares.
Shariah-compliant transferable securities	<p>Shariah-compliant transferable securities refer to:</p> <ul style="list-style-type: none">(a) Shariah-compliant shares or Shariah-compliant securities equivalent to shares;(b) Sukuk; <p>but do not include Islamic money market instruments or any security where the title can be transferred only with the consent of a third party; and</p> <ul style="list-style-type: none">(c) Shariah-compliant shares that are not listed and quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing and quotation, and are offered directly to the Fund by the issuer.



GLOSSARY OF TERMS/ABBREVIATIONS (CONT'D)

Shariah-compliant warrants	Shariah-compliant securities that entitles the holder to exercise his rights to buy the underlying stock(s) of the issuing company at a fixed price called exercise price until the expiry date. For the purpose of this Fund, the underlying stock(s) must be in new shares.
Shariah requirements	Is a phrase or expression which generally means making sure that any human conduct must not involve any elements which are prohibited by the Shariah and that in performing that conduct all the essential elements that make up the conduct must be present and each essential element must meet all the necessary conditions required by the Shariah for that element.
Special Resolution	A resolution passed by a majority of not less than three-fourth of unitholders voting at a meeting of unitholders. For the purpose of terminating a fund, a special resolution is passed by a majority in number representing at least three-fourth of the value of the units held by unitholders voting at the meeting.
sukuk	Sukuk is an Islamic financing instrument for the purpose of fund raising exercise whereby the underlying transaction may be structured based on various Shariah principles/contracts endorsed by the SACSC or the Shariah Adviser.
Tax Agent of the Fund	KPMG Tax Services Sdn Bhd
the Deed	The Deed means the master deed dated 23 March 2021 and all supplemental deeds entered into between the Trustee and the Manager for the registered holders of PellGEF.
Trustee's Delegate	Citibank N.A., Singapore branch
UIC	Units in circulation ("UIC") refers to the total number of units in issue at a point in time.
unrestricted investment accounts	Investment accounts are instruments offered by Islamic banks licensed by Bank Negara Malaysia for the purpose of investments and sharing of profit from Shariah-compliant investment activities, including for the provision of finance, in accordance with Shariah principles such as mudharabah, musyarakah and wakalah. Unrestricted investment accounts allow Islamic banks licensed by Bank Negara Malaysia to determine the investment mandate and the structure of the investment account.
UTC	Unit trust scheme consultant
valuation point	Valuation point refers to such a time(s) on a Business Day as may be decided by the Manager wherein the NAV of the Fund is calculated. Under normal circumstances, only one valuation is conducted on each Business Day. For PellGEF, the valuation of the Fund will be conducted after the close of business of Bursa Securities for the relevant day. As certain foreign markets in which the Fund may invest in have yet to close due to the different time zones of these countries, the valuation point may be extended to 5:00 p.m. (or any other such time as may be permitted by the relevant authorities from time to time) on the following day in which the Manager is open for business.
ZICO Shariah or the Shariah Adviser	ZICO Shariah Advisory Services Sdn. Bhd. (200701011429 (769433-D))



MANAGER

Public Mutual Berhad (197501001842 (23419-A))

Registered and business address:

8th Floor, Menara Public Bank 2

No. 78, Jalan Raja Chulan

50200 Kuala Lumpur

Tel: 03-2022 6800 Fax: 03-2022 6900

Hotline: 03-2022 5000

e-mail: customer@publicmutual.com.my

Web: www.publicmutual.com.my

TRUSTEE

AmanahRaya Trustees Berhad (200701008892 (766894-T))

Registered address:

Level 34, Vista Tower, The Intermark

348, Jalan Tun Razak

50400 Kuala Lumpur

Business address:

Level 31, Vista Tower, The Intermark

348, Jalan Tun Razak

50400 Kuala Lumpur

Tel: 03-2036 5129 Fax: 03-2072 0320

e-mail: info@artrustees.com.my

Web: <https://www.artrustees.my>

SHARIAH ADVISER

ZICO Shariah Advisory Services Sdn. Bhd. (200701011429 (769433-D))

Level 13A, Menara Milenium

Jalan Damanlela

Pusat Bandar Damansara

50490 Kuala Lumpur

Tel: 03-9212 0976 Fax: 03-9212 0974

e-mail: zh-shariah@zishariah.com

Web: <http://www.zico.group>

The Trustee, Trustee's Delegate, Tax Agent and Shariah Adviser have given and have not withdrawn their written consent to the inclusion in this Prospectus of their names and statements in the manner and context in which such names and statements appear.



1.1 FUND PROFILE

Name of Fund	Public e-Islamic India Global Equity Fund (PEIIGEF)
Base Currency	Ringgit Malaysia (RM)
Category of Fund	Equity (Shariah-compliant)
Financial Year End	31 October
Distribution Policy	Incidental
Launch Date	24 September 2024
Initial Offer Period	21 days commencing from 24 September 2024 to 14 October 2024
Initial Issue Price	RM0.2500
Sales Charge per Unit during Initial Offer Period	Up to 3.75% of the initial issue price of the Fund.
Fund Objective	To achieve capital growth over the long term. <i>Note: Any material changes to the investment objective of the Fund would require unitholders' approval.</i>

Note: The Manager has the right to issue other classes of units without the need to seek unitholders' prior approval.

Investment Policy and Strategy

Typical Asset Classes	<ul style="list-style-type: none"> Shariah-compliant transferable securities: <ul style="list-style-type: none"> ➤ Shariah-compliant shares that the Fund may invest in include Shariah-compliant blue chip stocks, Shariah-compliant index stocks and Shariah-compliant growth stocks. ➤ Shariah-compliant securities equivalent to shares. ➤ Sukuk. Unlisted Shariah-compliant shares. Units or shares of other Islamic collective investment schemes. Islamic money market instruments which include unrestricted investment accounts. Islamic deposits with licensed domestic and foreign financial institutions. 				
Asset Allocation	<table border="1"> <tr> <td>Shariah-compliant shares or Shariah-compliant securities equivalent to shares</td> <td>75% to 98% of the Fund's NAV</td> </tr> </table> <p>The balance of the Fund's NAV may be invested in sukuk, Islamic money market instruments and Islamic deposits.</p> <p>Up to 20% of the Fund's NAV may be invested in Islamic collective investment schemes.</p> <p>At least 30% of the Fund's NAV will be invested in India market with the balance invested in other markets.</p> <p><i>If the outlook for equity market is unfavourable, the Shariah-compliant shares or Shariah-compliant securities equivalent to shares exposure may be reduced to below the range indicated above while the exposure to sukuk, Islamic money market instruments and Islamic deposits may be increased as a temporary defensive strategy.</i></p> <table border="1"> <tr> <td>Shariah-compliant foreign assets</td> <td>Up to 98% of the Fund's NAV</td> </tr> </table>	Shariah-compliant shares or Shariah-compliant securities equivalent to shares	75% to 98% of the Fund's NAV	Shariah-compliant foreign assets	Up to 98% of the Fund's NAV
Shariah-compliant shares or Shariah-compliant securities equivalent to shares	75% to 98% of the Fund's NAV				
Shariah-compliant foreign assets	Up to 98% of the Fund's NAV				



INFORMATION ON THE FUND (CONT'D)

Location of Assets	<ul style="list-style-type: none"> • India • United States of America • Germany • France • Switzerland • Australia • New Zealand • Netherlands • Japan • South Korea • China • Hong Kong • Taiwan • Malaysia • Singapore • Philippines • Thailand • Indonesia • Any other selected foreign markets. 	
Investment Approach	Shariah-compliant shares or Shariah-compliant securities equivalent to shares	Bottom-up approach in Shariah-compliant shares or Shariah-compliant securities equivalent to shares selection process which relies on fundamental research where the financial health, industry prospects, management quality and past track records of companies are assessed.
	Islamic collective investment schemes	The suitability of the Islamic collective investment scheme will be evaluated to ensure that the investment strategies of the said Islamic collective investment scheme are aligned to the fund's investment strategies and objective.
	Sukuk and Islamic money market instruments	The asset allocation between sukuk and Islamic money market instruments will depend on economic growth, interest rate trends and market liquidity conditions.

Selected Performance Benchmark for PeIIGEF

The benchmark of the Fund is the following composite benchmark index comprising:

Percentage	Index
40%	S&P India LargeCap Shariah 20% Capped Index
25%	S&P United States LargeCap Shariah Index
25%	Customised index by S&P Dow Jones Indices, LLC based on top 100 constituents by market capitalisation of the S&P Shariah BMI Asia Ex-Japan Index
10%	3-Month IIMM rate

This composite benchmark index is an appropriate performance benchmark for PeIIGEF as the Fund is an Islamic equity fund which generally has an equity weight of 90% of its NAV over the long term.

Information on the benchmarks can be obtained from the following sources:

Index	Source
S&P India LargeCap Shariah 20% Capped Index; S&P United States LargeCap Shariah Index; and customised index by S&P Dow Jones Indices, LLC based on top 100 constituents by market capitalisation of the S&P Shariah BMI Asia Ex-Japan Index	S&P Dow Jones Indices, LLC.
3-Month IIMM rate	Business sections of the daily newspapers.



As the Fund is actively managed and its holdings may differ from its benchmark, the risk profile of the Fund is not the same as the risk profile of the benchmark.

The performance of the Fund and its benchmark is available on our website at www.publicmutual.com.my.

The benchmark is used only for the purpose of measuring the financial performance of the Fund.

Any change of the Fund's benchmark will be updated on our website and/or the Fund's PHS.

The "S&P India LargeCap Shariah 20% Capped Index" and "S&P United States LargeCap Shariah Index" are products of S&P Dow Jones Indices LLC or its affiliates ("SPDJI"), and have been licensed for use by Public Mutual. Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by Public Mutual. It is not possible to invest directly in an index. PelIGEF is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, any of their respective affiliates (collectively, "S&P Dow Jones Indices"). S&P Dow Jones Indices will not make any representation or warranty, express or implied, to the owners of the PelIGEF or any member of the public regarding the advisability of investing in securities generally or in the PelIGEF particularly or the ability of the Indices to track general market performance. Past performance of the indices are not an indication or guarantee of future results. S&P Dow Jones Indices' only relationship to Public Mutual with respect to the Indices are the licensing of the Indices and certain trademarks, service marks and/or trade names of S&P Dow Jones Indices and/or its licensors. The Indices are determined, composed and calculated by S&P Dow Jones Indices without regard to Public Mutual or the PelIGEF. S&P Dow Jones Indices has no obligation to take the needs of Public Mutual or the owners of the PelIGEF into consideration in determining, composing or calculating the Indices. S&P Dow Jones Indices is not responsible for and have not participated in the determination of the prices, and amount of the PelIGEF or the timing of the issuance or sale of the PelIGEF or in the determination or calculation of the equation by which the PelIGEF are to be converted into cash, surrendered or redeemed, as the case may be. S&P Dow Jones Indices has no obligation or liability in connection with the administration, marketing or trading of the PelIGEF. There is no assurance that investment products based on the Indices will accurately track indices performance or provide positive investment returns. S&P Dow Jones Indices LLC is not an investment or tax advisor. A tax advisor should be consulted to evaluate the impact of any tax-exempt securities on portfolios and the tax consequences of making any particular investment decision. Inclusion of a security within the Indices are not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security, nor is it considered to be investment advice.

S&P DOW JONES INDICES DOES NOT GUARANTEE THE ADEQUACY, ACCURACY, TIMELINESS AND/OR THE COMPLETENESS OF THE INDICES OR ANY DATA RELATED THERETO OR ANY COMMUNICATION, INCLUDING BUT NOT LIMITED TO, ORAL OR WRITTEN COMMUNICATION (INCLUDING ELECTRONIC COMMUNICATIONS) WITH RESPECT THERETO. S&P DOW JONES INDICES SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, OR DELAYS THEREIN. S&P DOW JONES INDICES MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR AS TO RESULTS TO BE OBTAINED BY PUBLIC MUTUAL, OWNERS OF THE PelIGEF OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDICES OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL S&P DOW JONES INDICES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS, TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN S&P DOW JONES INDICES AND PUBLIC MUTUAL, OTHER THAN THE LICENSORS OF S&P DOW JONES INDICES.

1.2 RISK FACTORS

General Risks

1. **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.
2. **Liquidity risk:** Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the Fund holds assets that are illiquid, or are difficult to dispose of, the value of the Fund will be negatively affected when it has to sell such assets at unfavourable prices.
3. **Manager risk:** This risk refers to the day-to-day management of the Fund by the fund manager which will impact the performance of the Fund. For example, investment decisions undertaken by the fund manager pertaining to asset allocation and security selection which may not be in line with market movements, or non-conformance with regulations and internal policies and procedures, may adversely affect the performance of the Fund.



4. **Loan/Margin financing risk:** This risk occurs when investors take a loan/margin financing to finance their investment. The inherent risk of investing with borrowed/financed money includes investors being unable to service the loan repayments/margin 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/margin financing.

The Manager does not encourage the practice of loan/margin financing in the purchase of unit trust funds.

5. **Counterparty risk associated with OTC Islamic derivatives:** The use of OTC Islamic derivatives involve counterparty risk arising from counterparties' default or a decline in the counterparties' credit rating which may have adverse impact on the NAV of the Fund. In such circumstances, efforts will be taken to liquidate the Islamic derivative position.

Specific Risks

1. **Specific Shariah-compliant security risk:** Prices of a particular Shariah-compliant security may fluctuate in response to the circumstances affecting individual companies. As such, adverse price movements of a particular Shariah-compliant security invested by the Fund may adversely affect the Fund's NAV and unit price.
2. **Unlisted Shariah-compliant security risk:** This risk relates to investments in Shariah-compliant securities which are not listed on a securities exchange, such as Shariah-compliant stocks of unlisted companies. Investment in unlisted Shariah-compliant securities may subject the Fund to liquidity risks upon the disposal of these securities which may impact the value of the Fund.
3. **Interest rate risk:** Interest rate risk refers to the impact of interest rate changes on the valuation of Islamic money market instruments and Islamic deposits. The returns of the Fund's investments in Islamic money market instruments and Islamic deposits move in tandem with interest rates. A decline in interest rates will lower the returns of the Fund's investments in Islamic money market instruments and Islamic deposits. For example, when interest rates fall, Islamic deposit placements would be reinvested at lower interest rates and subsequently yield lower returns to the Fund.
4. **Credit risk:** Credit risk relates to the creditworthiness of the issuer of the Islamic money market instruments and Islamic deposits which is dependent on the issuer's ability to make timely payments of profit or principal. In the event that the issuer of the Islamic money market instruments and Islamic deposits defaults in the payment of profit and/or principal, the value of the Fund may be adversely affected.
5. **Currency risk:** If the Fund invests in Shariah-compliant assets denominated in foreign currency, the Fund may be exposed to currency fluctuation risks. If the currencies in which the investments are denominated depreciate against the local currency, the Fund's NAV may be adversely affected and vice versa. To mitigate such risk, the Fund may undertake hedging strategies. However, the Fund would not benefit from any potential upside if currencies move in the opposite direction of the hedging strategy.
6. **Country risk:** Shariah-compliant 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 country 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.
7. **Emerging markets risk:** As India is still at a relatively early stage of development, investments into India market may be subject to risks such as political instability, regulatory or policy risks, weaker accounting regulation and legal enforcement, or domestic infrastructure problems, which could adversely affect the value of the Fund.
8. **Risk of non-compliance with Shariah requirements:** This risk refers to the risk that the currently held Shariah-compliant shares in the Fund may be reclassified as Shariah non-compliant in the periodic review of the shares by the SACSC, the Shariah Adviser or the Shariah boards of the relevant Islamic indices. If this occurs, the Manager will take the necessary steps to dispose such shares. There may be opportunity loss to the Fund due to the Fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant shares. The value of the Fund may also be adversely affected in the event of a disposal of Shariah non-compliant shares at a price lower than the investment cost. *(Please refer to page 19 for Purification Process for The Fund.)*



9. **Risk associated with investments in Shariah-compliant warrants:** The market price of Shariah-compliant warrants held by the Fund will depend on the current market price of the underlying security, the exercise price of the Shariah-compliant warrants and the time to expiration of the Shariah-compliant warrants. Such investments may experience time decay, and the erosion of value accelerates as the Shariah-compliant warrant approaches its expiry date. Any adverse movements in the market price of the Shariah-compliant warrants may impact the Fund's NAV and unit price.

Risk Management Strategies

Asset allocation, liquidity management and diversification strategies employed are central to the efforts to manage the risks posed to the Fund.

To mitigate risks arising from significant volatilities in times of adverse market movements, foreign currency exposure and foreign interest rate movements, the Fund may employ hedging strategies utilising Islamic derivatives such as Islamic futures contracts, Islamic foreign exchange forward contracts and Islamic options (approved by the Shariah Adviser of the Fund).

Investments in Shariah-compliant warrants will be assessed on ongoing basis as it can potentially increase the volatility of the Fund's returns.

To manage credit risk, credit analysis is conducted and credit rating of financial institutions is monitored on an ongoing basis. The Fund will focus on Shariah-compliant securities issued by companies with sound financial position whereby gearing ratio and interest cover ratio are within acceptable levels of the industry in which the issuer company operates.

In terms of liquidity risk management, prudent liquidity management such as cash flow and redemption monitoring (for example, single customer exposure, risk appetite limit on redemption rate* and liquidity stress test) is in place to ensure that the Fund maintains reasonable levels of liquidity to meet any redemption request.

Under exceptional circumstances where the market value or fair value of a material portion of the Fund's assets cannot be determined (which include but not limited to the closure of a securities exchange or trading restrictions on a securities exchange and an emergency or other state of affairs whereby there is no price discovery which impact a material portion of the Fund's NAV), as the last recourse, the Manager may consult trustee to suspend dealing in units. This measure is taken when there is good and sufficient reason to do so, considering the interest of unitholders.

If suspension of redemption is imposed, unitholders of the Fund would be unable to redeem the units they had invested in the Fund temporarily. The unitholders will have to remain invested in the Fund, as well as continue to be subjected to the risks inherent to the Fund during the suspension period. Regulatory authorities and unitholders will be informed in the event a redemption suspension period is imposed and that the suspension will cease as soon as practicable and in any event, within 21 days (or any other period as may be determined by the SC) of the commencement of suspension. The period of suspension may be extended only if it is in the best interest of the unitholders and will be reviewed on a weekly basis by the Fund's trustee.

** Risk appetite limit on redemption rate is a risk indicator to monitor the average redemption rate against the internal risk threshold/limit set.*

1.3 PERMITTED INVESTMENTS

The Manager has absolute discretion, subject to the Deed, the investment policy of the Fund and the requirements of the SC and other regulatory body, as to how the assets of the Fund are invested. The Fund will invest in instruments that have been classified as Shariah-compliant by the SACSC and SAC BNM. For instruments that are not classified as Shariah-compliant by the SACSC and SAC BNM, the Shariah Adviser will determine whether the instruments are Shariah-compliant for investment by the Fund.



The Fund will invest in/utilise the following:

- i. Shariah-compliant transferable securities;
- ii. Unlisted Shariah-compliant shares approved as Shariah-compliant by the Shariah Adviser of the Fund;
- iii. Islamic deposits with licensed domestic and foreign financial institutions;
- iv. Islamic money market instruments;
- v. Units or shares of other Islamic collective investment schemes; and
- vi. Islamic derivatives that are either listed or quoted on a stock exchange, or dealt in the OTC market (for hedging purpose only).

1.4 INVESTMENT RESTRICTIONS

The Fund is subject to the following investment restrictions in the course of execution of its investment policies and strategies:

(i) Investment Spread Limits

Investment	Limits (% of Fund's NAV)
Value of investments in Shariah-compliant ordinary shares issued by any single issuer	≤ 10%
Value of investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any single issuer (single issuer limit)	<p style="text-align: center;">≤ 15%</p> <p><i>Notes:</i></p> <p>(i) <i>In determining the single issuer limit, the value of the Fund's investments in unlisted Shariah-compliant securities issued by the same issuer must be included in the calculation; and</i></p> <p>(ii) <i>This limit may be increased to 35% of the Fund's NAV if the issuing entity is, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency.</i></p>



Investment (cont'd)	Limits (% of Fund's NAV) (cont'd)
Value of placement in Islamic deposits with any single financial institution	<p style="text-align: center;">≤ 20%</p> <p><i>Note: This limit does not apply to placements of Islamic deposits arising from:</i></p> <p>(i) <i>Subscription monies received prior to the commencement of investment by the Fund;</i></p> <p>(ii) <i>Liquidation of investments prior to the termination or maturity of the Fund, where the placement of Islamic deposits with various financial institutions would not be in the best interests of unitholders; or</i></p> <p>(iii) <i>Monies held for the settlement of redemption or other payment obligations, where the placement of Islamic deposits with various financial institutions would not be in the best interest of unitholders.</i></p>
Aggregate value of investments in, or exposure to, a single issuer (single issuer aggregate limit) through– (a) Shariah-compliant transferable securities; (b) Islamic money market instruments; (c) Islamic deposits; (d) underlying assets of Islamic derivatives; and (e) counterparty exposure arising from the use of OTC Islamic derivatives	<p style="text-align: center;">≤ 25%</p> <p><i>Notes:</i></p> <p>(i) <i>In determining the single issuer aggregate limit, the value of the Fund's investments in unlisted Shariah-compliant securities issued by the same issuer must be included in the calculation; and</i></p> <p>(ii) <i>Where the single issuer limit is increased to 35% of the Fund's NAV, the single issuer aggregate limit may be raised, subject to the group limit not exceeding 35% of the Fund's NAV.</i></p>
Value of investments in: (a) units or shares of an Islamic collective investment scheme (b) units or shares of a listed Islamic collective investment scheme that invests in real estate	<p style="text-align: center;">≤ 20%</p> <p style="text-align: center;">≤ 15%</p>
Value of investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any group of companies (group limit)	<p style="text-align: center;">≤ 20%</p> <p><i>Note: In determining the group limit, the value of the Fund's investments in unlisted Shariah-compliant securities issued by the issuers within the same group of companies must be included in the calculation.</i></p>



INFORMATION ON THE FUND (CONT'D)

(ii) Investment Concentration Limits

Investment	Limits
Investments in Shariah-compliant shares or Shariah-compliant securities equivalent to shares	≤ 10% of the Shariah-compliant shares or Shariah-compliant securities equivalent to shares issued by a single issuer.
Investments in sukuk	≤ 20% of the sukuk issued by a single issuer. <i>Note: This limit may be disregarded at the time of acquisition if at that time of acquisition the gross amount of sukuk in issue cannot be determined.</i>
Investments in Islamic money market instruments	≤ 10% of the Islamic money market instruments issued by any single issuer. <i>Note: This limit does not apply to Islamic money market instruments that do not have pre-determined issue size.</i>
Investments in Islamic collective investment schemes	≤ 25% of the units or shares in the Islamic collective investment scheme.

(iii) Exposure Limits

Investment	Limits (% of Fund's NAV)
The aggregate value of the Fund's investment in unlisted Shariah-compliant securities	≤ 15% <i>Note: Subject to a maximum limit of 10% of the Fund's NAV in a single issuer.</i>
Value of holdings in foreign Shariah-compliant investments	≤ 98%
Global exposure from derivatives position* * <i>The global exposure from the Islamic derivatives and Islamic embedded derivatives position is calculated using the commitment approach methodology. The global exposure of the Fund using commitment approach are calculated as the sum of the:</i> (i) <i>absolute value of the exposure of each individual Islamic derivative not involved in netting or hedging arrangements;</i> (ii) <i>absolute value of the net exposure of each individual Islamic derivative after netting or hedging arrangements;</i> (iii) <i>the values of cash collateral received pursuant to the reduction of exposure to counterparties of OTC Islamic derivatives.</i>	≤ NAV of the Fund at all times. Notes: (i) <i>For OTC Islamic derivatives the maximum exposure of the Fund to the counterparty must not exceed 10% of the Fund's NAV;</i> (ii) <i>The counterparty of an OTC Islamic derivative must be a financial institution with a minimum long-term credit rating of investment grade (including gradation and subcategories); and</i> (iii) <i>If the counterparty's rating falls below the minimum required, or the counterparty ceases to be rated, the Manager should, within six months or sooner, if the trustee considers it to be in the best interest of the unitholders, take the necessary action to ensure that the requirements are complied.</i>

The above limits and restrictions shall be complied with at all times based on the most up-to-date value of the Fund, and the value of its investments and instruments.



Any breach as a result of any –

- a) appreciation or depreciation in value of the Fund's investments;
- b) redemption of units or payment made out of the Fund;
- c) change in capital of a corporation in which the Fund has invested in; or
- d) downgrade in or cessation of a credit rating,

must be rectified as soon as practicable within three months from the date of the breach unless otherwise specified in the SC Guidelines. The three-month period may be extended if it is in the best interest of unitholders and trustee's consent is obtained. Such extension must be subject to at least a monthly review by the trustee.

Such limits and restrictions, however, do not apply to Shariah-compliant securities that are issued or guaranteed by the Malaysian Government or Bank Negara Malaysia.

Note: The investment restrictions and limits of the Fund may be subject to changes as may be determined by the SC from time to time, the effective date of which shall be determined by the Manager.

1.5 VALUATION OF PERMITTED INVESTMENTS

The permitted investments of the Fund are fairly valued based on the following valuation methods:

Listed Shariah-compliant shares or Shariah-compliant securities equivalent to shares – valuation is based on the official closing price or last known transacted price on the Eligible Market on which the investment is quoted. If the price is not representative or not available to the market, the securities will be valued at fair value, as determined with due care and in good faith by the Manager, based on the methods or bases approved by the trustee after appropriate technical consultation.

Unlisted Shariah-compliant shares – fair valuations which are based on methods that are acceptable to the Manager and approved by the trustee.

Listed and unlisted sukuk (including Islamic commercial papers) – for listed sukuk, valuation is based on the official closing price or last known transacted price on the Eligible Market on which the investment is quoted.

In the case of unlisted sukuk (including Islamic commercial papers) denominated in RM, valuations are carried out on a daily basis using fair value prices quoted by a Bond Pricing Agency (BPA) registered with the SC. Other foreign unlisted sukuk are valued daily based on fair value by reference to the average indicative yield quoted by independent and reputable institutions.

If the valuations are not representative or not available to the market, the sukuk will be valued at fair value, as determined with due care in good faith by the Manager, based on the methods or bases approved by the trustee after appropriate technical consultation.

Islamic money market instruments (excluding unrestricted investment accounts) – Islamic money market instruments which include negotiable Islamic debt certificate are valued at market yields based on the remaining days to maturity.

Unrestricted investment accounts which are deemed as Islamic money market instruments and Islamic deposits with financial institutions – the value of such investments shall be determined on a daily basis by reference to their principal value and the accrued profit thereon for the relevant period.

Units or shares in other Islamic collective investment schemes – for unlisted Islamic collective investment schemes, valuation is based on last published repurchase price. For listed Islamic collective investment schemes, valuation is based on market price of the respective exchanges. If no market price is available or valuation based on market price does not represent the fair value of investments, the shares will be valued at fair value, as determined with due care and in good faith by the Manager, based on the methods or bases approved by the trustee after appropriate technical consultation.

Islamic foreign exchange forward contracts approved by the Shariah Adviser of the Fund – all Islamic foreign exchange forward contracts approved by the Shariah Adviser of the Fund are marked-to-market daily and valued at fair value using forward rate of the remaining tenure to maturity.

Islamic futures contracts approved by the Shariah Adviser of the Fund – all Islamic futures contracts approved by the Shariah Adviser of the Fund are marked-to-market at the end of each trading day. Any gains or losses are immediately reflected upon marking to market.



Suspended Shariah-compliant securities – will be valued at their suspended price unless there is conclusive evidence to indicate that the value of such stocks have gone below the suspended price, whereupon their value will be ascertained in a manner as agreed upon by the Manager and trustee.

All foreign Shariah-compliant securities and Islamic assets are converted into RM based on the bid exchange rate quoted by Refinitiv (formerly known as Thomson Reuters)/Bloomberg at United Kingdom time 4:00 p.m. the same day.

1.6 SHARIAH SCREENING PROCESS FOR THE FUND

Listed/unlisted Shariah-compliant shares

For domestic listed Shariah-compliant shares, reference is made to the list of Shariah-compliant securities issued by the SACSC on a half-yearly basis. For domestic unlisted Shariah-compliant shares, the Shariah Adviser applies the two-tier quantitative approach based on the business activity and financial ratio benchmarks in determining the Shariah status of the shares as per the *List of Shariah-compliant Securities by the SACSC*.

Investments in unlisted Shariah-compliant shares in the domestic and foreign markets will be selected in accordance with the shares classified as Shariah-compliant by the Shariah Adviser. For Shariah-compliant shares to be reviewed by the Shariah Adviser, the fund manager will first identify the Shariah-compliant shares which fulfil their investment criteria. All the relevant documents with the latest information pertaining to the business activities, financial statements and other related information will be submitted to the Shariah Adviser for Shariah stock screening process which involves both quantitative and qualitative analysis.

For business activity benchmark, the Shariah Adviser will determine if the contribution of Shariah non-compliant activities to the Group revenue or Group profit before taxation of the company will be computed and compared against the relevant business activity benchmarks as follows:

(i) The 5% benchmark

The 5% benchmark is applicable to the following businesses/activities:

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

For the above-mentioned businesses/activities, the contribution of Shariah non-compliant businesses/activities to the Group revenue or Group profit before taxation of the company must be less than 5%.

Note: Interest income and dividends from Shariah non-compliant investments will be compared against the Group revenue. However, if the main activity of the company is holding of investments, the dividends from Shariah non-compliant investments will be compared against the Group revenue and Group profit before taxation.

(ii) The 20% benchmark

The 20% benchmark is applicable to the following businesses/activities:

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

For the above-mentioned businesses/activities, the contribution of Shariah non-compliant businesses/activities to the Group revenue or Group profit before taxation of the company must be less than 20%.



For financial ratio benchmark, the Shariah Adviser will determine if the financial ratios (i.e. debt over total assets and cash over total assets ratio is less than 33%) of the companies, comply with the financial ratio benchmarks. For cash over total assets, cash only includes cash placed in conventional accounts and instruments, whereas cash placed in Islamic accounts and instruments is excluded from the calculation. For debt over total assets, debt only includes interest-bearing debt whereas Islamic financing or sukuk is excluded from the calculation. In addition to the above two-tier quantitative criteria, the Shariah Adviser also takes into account the qualitative aspect which involves public perception or image of the company's activities from the perspective of Islamic teaching.

For foreign listed Shariah-compliant shares, reference is made to the list of the approved Islamic indices on a monthly basis. For the Fund's investments in listed and unlisted shares in the foreign markets which are not within the list of the approved Islamic indices, the Shariah Adviser applies the two-tier approach which applies the sector-based and accounting-based screens, in determining the Shariah status of the shares. For sector-based screens, core business activities related to advertising and media, alcohol, cloning, conventional banking and insurance, gambling, pork, pornography, tobacco and trading of gold and silver as cash on deferred basis will not be appropriate for Islamic investment purpose. For accounting-based screen, the Shariah Adviser will determine if the conventional debt ratio, conventional cash ratio, account receivable ratio and non-permissible income ratio of the company's financial position comply with the financial thresholds as approved by the Islamic indices subscribed by the Fund. These benchmarks may vary in accordance with the development of Islamic capital markets and the jurisdiction of the Islamic indices providers that are being referred to. Should any of the calculation fail to satisfy the financial benchmark, the Shariah Adviser will not accord Shariah-compliant status for the shares. To ensure strict compliance with Shariah requirements, foreign Shariah-compliant shares which are approved by the Shariah Adviser will be reviewed twice yearly.

Listed Shariah-compliant securities equivalent to shares

For domestic listed Shariah-compliant securities equivalent to shares, reference is made to the list of Shariah-compliant securities issued by SACSC. For foreign listed Shariah-compliant securities equivalent to shares, reference is made to the list of the approved Islamic indices.

Listed/unlisted Islamic collective investment schemes

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

Sukuk

Investments in domestic sukuk will be selected from the list of sukuk readily available at the SC and Bank Negara Malaysia websites. Investments in foreign sukuk will be selected after consultation with the Shariah Adviser. To ensure strict compliance with Shariah requirements, the Shariah Adviser will review the information memorandum or the prospectus of the foreign sukuk for details regarding the Shariah approvals and fatwa certifying such sukuk. The Shariah Adviser will review the structure, contracts, assets and terms for the foreign sukuk issuance to ascertain if they can comply with Shariah principles.

Islamic money market instruments, unrestricted investment accounts and Islamic deposits

Placement will be made in Islamic deposits and unrestricted investment accounts with financial institutions licensed by Bank Negara Malaysia as well as investment in Islamic money market instruments issued by financial institutions licensed by Bank Negara Malaysia.

Islamic derivatives

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



1.7 PURIFICATION PROCESS FOR THE FUND

Reclassification of Shariah status

Shariah-compliant securities which are reclassified to be Shariah non-compliant upon review of the securities by the SACSC or are removed from the approved Islamic indices will result in the Shariah non-compliant securities being disposed of. If on the effective date of the reclassification, the respective market price of Shariah non-compliant securities exceeds or is equal to the investment cost, such securities must be disposed of. Any dividends received from the Shariah non-compliant securities up to the effective date and capital gain arising from their disposal on the effective date, may be kept. However, any dividends received and excess capital gains derived from the disposal of the Shariah non-compliant securities after the effective date should be deposited into a separate account which is segregated from the Fund's account, for the purpose of purification.

The Fund may channel such tainted income to baitulmal and/or charitable bodies as advised by the Shariah Adviser. The Fund may also at its discretion distribute the tainted income to the investors as soon as practically possible as advised by the Shariah Adviser. Should such income be distributed to investors, the Manager will inform investors that it is the investors' obligation to purify it in accordance with Shariah principles upon receiving it from the Fund.

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

In addition, during the holding period, the Fund is allowed to subscribe to—

- (a) any issue of new securities by a company whose Shariah non-compliant securities are held by the Fund, for example rights issues, bonus issues, special issues and warrants (excluding securities whose nature is Shariah non-compliant e.g. loan stocks); and
- (b) Shariah-compliant securities of other companies offered by the company whose Shariah non-compliant securities are held by the Fund

on the condition that the Fund expedites the disposal of the Shariah non-compliant securities.

Shariah non-compliant investment

Any Shariah non-compliant investments inadvertently made will be disposed of/withdrawn within a month of knowing the status of the investments. If the investment resulted in a gain (through capital gain, and/or dividend and/or interest) received before or after the disposal of the investments, the gain will be channeled to baitulmal and/or any other charitable bodies as advised by the Shariah Adviser. The Fund has a right to retain only the investment cost. If the disposal of the investment resulted in losses to the Fund, the losses are to be borne by the Manager.

1.8 ZAKAT FOR THE FUND

PellGEF does not pay zakat on behalf of Muslim individuals and Islamic legal entities who are investors of the Fund since doing so would not satisfy completely their zakat obligations. Such investors are thus required to pay by themselves.

1.9 CROSS TRADE POLICY

Cross trade transactions between funds managed by Public Mutual as part of the portfolio rebalancing process, may be undertaken if such transactions are deemed to be in the best interest of the funds and are transacted through a dealer or a financial institution on an arm's length and fair value basis.

2 FEES, CHARGES AND EXPENSES

2.1 CHARGES IMPOSED ON PURCHASE AND REDEMPTION OF UNITS

Sales charge and redemption charge (if any) that are to be levied on the purchase and redemption of units are computed based on the NAV per unit of the Fund that has not been rounded up.

Bank charges, courier charges and any other indirect charges as a result of purchase or redemption transactions will be borne by you.

Below are the charges that you may directly incur when purchasing or redeeming units of the Fund:



Sales charge per unit	<p>Purchase of units through UTCs, IUTA and the Manager.</p> <p><i>The Manager may at its discretion charge a lower sales charge based on the size of investment and/or other criterion as may be determined from time to time.</i></p> <p>Please refer to <i>page 23</i> for illustration on computation of sales charge.</p>	Up to 3.75% of NAV per unit.																													
Redemption charge per unit	Please refer to <i>page 24</i> for illustration on computation of redemption charge.	Nil																													
Switching charges	<table border="1"> <thead> <tr> <th data-bbox="429 943 719 1104">To Recipient Fund Switch-out / (Exit)</th> <th data-bbox="719 943 893 1104">Equity / Mixed Asset / Balanced funds</th> <th data-bbox="893 943 1065 1104">Bond funds</th> <th data-bbox="1065 943 1236 1104">PeINCF / PeISINCF</th> </tr> </thead> <tbody> <tr> <td colspan="4" data-bbox="429 1104 1236 1141">Within 90 days:</td> </tr> <tr> <td data-bbox="429 1141 719 1177">- Loaded units #</td> <td data-bbox="719 1141 893 1177">Up to 0.50%*</td> <td data-bbox="893 1141 1065 1177">Up to 0.50%*</td> <td data-bbox="1065 1141 1236 1177">Up to 0.50%*</td> </tr> <tr> <td data-bbox="429 1177 719 1213">- Partial-load units ##</td> <td data-bbox="719 1177 893 1213">Up to 0.50%*</td> <td data-bbox="893 1177 1065 1213">Up to 0.50%*</td> <td data-bbox="1065 1177 1236 1213">Up to 0.50%*</td> </tr> <tr> <td colspan="4" data-bbox="429 1213 1236 1249">After 90 days:</td> </tr> <tr> <td data-bbox="429 1249 719 1286">- Loaded units #</td> <td data-bbox="719 1249 893 1286">Nil</td> <td data-bbox="893 1249 1065 1286">Nil</td> <td data-bbox="1065 1249 1236 1286">Nil</td> </tr> <tr> <td data-bbox="429 1286 719 1342">- Partial-load units ##</td> <td data-bbox="719 1286 893 1342">Up to 0.25%*</td> <td data-bbox="893 1286 1065 1342">Up to 0.25%*</td> <td data-bbox="1065 1286 1236 1342">Nil</td> </tr> </tbody> </table> <p>Notes:</p> <p># Loaded units are units which have incurred a sales charge of 3% or more through investments in equity/mixed asset/balanced funds.</p> <p>## Partial-load units are units which have incurred a sales charge of less than 3% through investments in equity/mixed asset/balanced funds.</p> <p>* Subject to a minimum of RM1, whichever is the higher. Switching charge imposed for switching made within 90 days will be retained by the Fund.</p>			To Recipient Fund Switch-out / (Exit)	Equity / Mixed Asset / Balanced funds	Bond funds	PeINCF / PeISINCF	Within 90 days:				- Loaded units #	Up to 0.50%*	Up to 0.50%*	Up to 0.50%*	- Partial-load units ##	Up to 0.50%*	Up to 0.50%*	Up to 0.50%*	After 90 days:				- Loaded units #	Nil	Nil	Nil	- Partial-load units ##	Up to 0.25%*	Up to 0.25%*	Nil
To Recipient Fund Switch-out / (Exit)	Equity / Mixed Asset / Balanced funds	Bond funds	PeINCF / PeISINCF																												
Within 90 days:																															
- Loaded units #	Up to 0.50%*	Up to 0.50%*	Up to 0.50%*																												
- Partial-load units ##	Up to 0.50%*	Up to 0.50%*	Up to 0.50%*																												
After 90 days:																															
- Loaded units #	Nil	Nil	Nil																												
- Partial-load units ##	Up to 0.25%*	Up to 0.25%*	Nil																												
Transfer charges	Administration fee is charged for each transfer transaction.	Up to RM50																													



2.2 FEES AND EXPENSES OF THE FUND

Operating a fund involves a variety of expenses for portfolio management, the manager's fee, trustee's fee, foreign custodian charges, auditor's fee, tax agent's fee and other administrative charges incurred in the administration of the Fund. These costs are paid out of the Fund's assets.

Below are the fees that you may indirectly incur when you invest in the Fund:

 Management fee	1.85% per annum of the NAV.
 Trustee fee	0.06% per annum of the NAV, subject to a minimum fee of RM18,000 and a maximum fee of RM600,000 per annum.

The annual management fee and trustee fee are calculated and accrued daily, and payable monthly to the Manager and trustee respectively.

Note: The above fees and charges may be subject to any applicable taxes and/or duties (if any) which are payable by you.

2.3 POLICY ON STOCKBROKING REBATES AND SOFT COMMISSIONS

The Manager does not receive any form of rebates from any broker/dealer. The Manager may receive goods and services which bring a direct benefit or advantage to the management of the Fund and may be in the form of research and advisory services that assist in the decision-making process relating to the Fund's investments.



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

3.1 DETERMINATION OF PRICES

Valuation Point

Valuation of PellGEF will be conducted after the close of business of Bursa Securities for the relevant day. As certain foreign markets in which the Fund may invest in have yet to close due to the different time zones of these countries, the valuation point may be extended to 5:00 p.m. (or any other such time as may be permitted by the relevant authorities from time to time) on the following day in which the Manager is open for business. As such, the daily prices of the Fund will not be published on the next Business Day but instead will be published the next following Business Day (i.e. the prices will be 2 days old).

NAV per Unit

The NAV per unit is obtained by dividing the NAV of the Fund by the number of units in issue.

Illustration:

Total NAV (RM) 352,625,000	÷	UIC (units) 1,410,500,000	=	NAV per unit (RM) 0.25000000
--------------------------------------	---	-------------------------------------	---	--

Single Pricing

Purchase and redemption of units are quoted and transacted at a single price, i.e. at the NAV per unit of the Fund. Sales charge and redemption charge (if any) are computed and charged separately, and are not incorporated in the quoted prices of the Fund.

Forward Pricing

Both the purchase and redemption transactions are traded at prices *next determined*. A request issued by you to purchase or redeem units of the Fund will be carried out at a price as at *the next valuation point after the application is received and accepted by the Manager*.



Investments banked in over the counter through Public Bank branches on any Business Day will be processed based on the price determined for the same Business Day.

Payment received before or at 4:00 p.m.

Processed based on the price determined for the same Business Day.



Payment received after 4:00 p.m.

Processed based on the price determined for the next Business Day.

Any investment and transaction requests made on a non-Business Day will be treated as investments or transaction requests made on the following Business Day.

Incorrect Pricing

In the event of any incorrect pricing of units of the Fund, the Manager shall take immediate remedial action where that incorrect pricing –

- (i) is equal or more than 0.5% of the NAV per unit; and
- (ii) results in a sum total of RM10.00 or more to be reimbursed to the affected unitholder for each purchase or redemption transaction.

Subject to any regulatory requirements, the Manager shall have the right to amend, vary or revise the abovesaid limits or threshold from time to time.



3.2 COMPUTATION OF PRICES

Purchasing Units of the Fund

Illustration:

Investment amount : RM10,000
 NAV per unit : RM0.25000000
 Sales charge : 3.75% of NAV per unit

Sales Charge Incurred	$= \frac{\text{Investment Amount}}{1 + \text{Sales Charge (\%)}} \times \text{Sales Charge (\%)}$	RM361.45
	$= \frac{\text{RM10,000}}{1 + 3.75\%} \times 3.75\%$	

Net Investment Amount	Investment Amount	RM10,000	RM9,638.55
	Less: Sales Charge Incurred	(RM361.45)	

Units Credited to Your Account	$= \frac{\text{Net Investment Amount}}{\text{NAV per unit}}$	38,554.20 units
	$= \frac{\text{RM9,638.55}}{\text{RM0.25000000}}$	

DO NOT PAY CASH FOR YOUR INVESTMENT



UTCs AND STAFF OF PUBLIC MUTUAL ARE NOT AUTHORISED TO COLLECT INVESTMENT AMOUNTS IN CASH UNDER ANY CIRCUMSTANCES WHATSOEVER.

Public Mutual will not be liable for any loss incurred should you hand cash over to our UTCs or staff.



DO NOT PAY CASH TO A UTC OR STAFF OF PUBLIC MUTUAL.

DO NOT MAKE A DEPOSIT OR TRANSFER TO THE BANK ACCOUNT OF A UTC OR STAFF OF PUBLIC MUTUAL.



DO NOT ISSUE A CHEQUE IN THE NAME OF A UTC OR STAFF OF PUBLIC MUTUAL.



TRANSACTION INFORMATION (CONT'D)

Redeeming Units of the Fund

Illustration:

Units redeemed : 40,000 units
NAV per unit : RM0.25000000

Amount Redeemed	= Units redeemed x NAV per unit	RM10,000
	= 40,000 units x RM0.25000000	

Redemption Charge Incurred	= Redemption charge (%) x NAV per unit x Units redeemed	Nil
	= 0% x RM0.25000000 x 40,000 units	

Total Redemption Proceeds Received by You	= Amount redeemed – Redemption charge incurred	RM10,000
	= RM10,000 – RM0	

Note: The above fees and charges may be subject to any applicable taxes and/or duties (if any) which are payable by you.

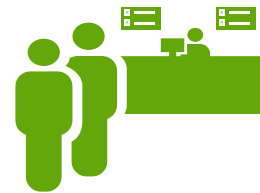
3.3 WHERE TO PURCHASE OR REDEEM UNITS OF THE FUND



Public Mutual Online (PMO)



UTCs and corporate representatives who are registered with FIMM



Public Mutual Customer Service Centres

Priority clients may access the *exclusive Mutual Gold Service* for value-added, time saving services.

Please refer to *pages 43 to 47* for the Directory of Public Mutual Branch Offices and Customer Service Centres, Agency Offices and appointed IUTA(s).



3.4 HOW TO PURCHASE UNITS OF THE FUND



Before investing, it is important that you read the Prospectus and PHS of the Fund carefully, and seek further clarification on any matter that may concern you.

Opening an Account

- Minimum initial investment*: RM100

Individual Investors

- You must be a subscriber of PMO.
- If you are not an existing PMO subscriber:
 - For first time investor of Public Mutual, you are required to complete the New Investor Form or onboard via the New Investor Online Enrolment at PMO.
 - You may register online for PMO via our website or through our Smart kiosks located at our branches or Customer Service Centre at the 1 Utama Shopping Centre.

Non-Individual/Corporate Investors

- Submit investment application form with requisite statutory documents to any Public Mutual or Public Bank branch offices or Public Mutual Head Office (please refer to the new investor form for documents required).
- Please contact the corporate sales desk at 03-2022 6829 for further assistance.

* The Manager may vary the minimum initial investment amount from time to time.

Should you cease to be a PMO subscriber, the Manager may redeem your entire account with the Fund.

Adding Regularly to Your Account

- Minimum additional investment*: RM100
- Additional investments can be executed via:
 - (a) PMO.
 - (b) Direct debit authorisation with banks.
 - (c) Depositing your cheque into the collection account maintained at Public Bank.

Note: * The Manager may vary the minimum additional investment amount from time to time. Any permanent changes in the minimum additional investment amount will be updated in the annual or semi-annual report of the Fund and may also be reflected in the PHS and supplemental prospectus of the Fund.



How You Should Write Your Cheque

Your cheques for initial and additional investment are to be issued in the following manner:

	Cheque must be made payable to:
Individual Investors	"Public Mutual Berhad - New NRIC No. of First Holder".
Corporate Investors	"Public Mutual Berhad - Your Company Registration Number".



Please write down your name, new NRIC/passport number/company registration number and telephone number at the back of the cheque.

Under the Deed, the Manager is given the exclusive right to effect the issue of units for the account of the Fund and has absolute discretion to accept or reject in whole or in part any application for units.

DO NOT PAY CASH FOR YOUR INVESTMENT



UTCs AND STAFF OF PUBLIC MUTUAL ARE NOT AUTHORISED TO COLLECT INVESTMENT AMOUNTS IN CASH UNDER ANY CIRCUMSTANCES WHATSOEVER.

Public Mutual will not be liable for any loss incurred should you hand cash over to our UTCs or staff.



DO NOT PAY CASH TO A UTC OR STAFF OF PUBLIC MUTUAL.

DO NOT MAKE A DEPOSIT OR TRANSFER TO THE BANK ACCOUNT OF A UTC OR STAFF OF PUBLIC MUTUAL.



DO NOT ISSUE A CHEQUE IN THE NAME OF A UTC OR STAFF OF PUBLIC MUTUAL.



3.5 HOW TO REDEEM UNITS OF THE FUND

- Minimum units for redemption: 100 units.
- There is no restriction on the frequency of redemption.
- If you execute your redemption request using PMO and provide us with your bank account details, your redemption proceeds will be paid within 4 Business Days from the date of the redemption request (subject to bank clearance).
- If you complete and submit the redemption form on any Business Day to your nearest Public Mutual or Public Bank branch office or Public Mutual Head Office, your redemption proceeds will be paid within 7 Business Days from our receipt of your request.
- You may request for regular/periodic withdrawals subject to terms and conditions.

3.6 HOW TO SWITCH UNITS BETWEEN FUNDS

- Minimum units for switching: 1,000 units.
- During the initial offer period, switching of loaded units (i.e. units which have incurred a sales charge of 3% or more) into PellGEF is not allowed.
- After the initial offer period, you may switch your units between PellGEF and other funds under the Public e-Series of Funds and Public e-Series of Shariah-Based Funds on any Business Day subject to terms and conditions.
- You can execute your switching request via PMO or by completing and submitting the switching form to your nearest Public Mutual or Public Bank branch office or Public Mutual Head Office.
- The Manager reserves the right to reject any switching requests of unitholders of PellGEF if it is deemed to be disruptive to the efficient portfolio management or contrary to the best interest of the targeted funds. Switching requests that are rejected by the Manager would be treated as a redemption of units.
- Switching from an Islamic fund to a conventional fund is discouraged especially for Muslim unitholders.

3.7 HOW TO TRANSFER UNITS OF THE FUND

- Minimum units for transfer: 1,000 units.
- Complete and submit the transfer form to your nearest Public Mutual or Public Bank branch office or Public Mutual Head Office (subject to terms and conditions).

3.8 MINIMUM ACCOUNT BALANCE

- Minimum balance of 100 units must be maintained at all times to stay invested with the Fund.
- If partial redemption, switching or transfer of units result in less than 100 units being held in your account with the Fund, the Manager may redeem, switch or transfer the entire account.

3.9 COOLING-OFF RIGHT

- Applicable for first time individual investors of Public Mutual.
- Submit request to Public Mutual or Public Bank branch office or Public Mutual Head Office within 6 Business Days from the date of receipt of the investment application form and payment by Public Mutual.
- The refund will be paid within 7 Business Days from the date of exercise of this right.
- The refund for every unit held will be the sum of the price of a unit (i.e. original price on the day the units were purchased or market price at the point of exercise of the cooling-off right, whichever is lower) and the sales charge imposed (and any applicable taxes and/or duties, if any) on the day the units were purchased.
- Staff of the Manager and persons registered with a body approved by the SC to deal in unit trust funds are not entitled to the cooling-off right.



3.10 DISTRIBUTION

Declaration

- Distribution, if any, is declared at the end of each financial year, or for any other specified period.
- Distribution(s) may be declared out of the Fund's net realised capital gains and net realised investment income in the current financial year, and/or out of capital (derived from net realised capital gains and net realised investment income brought forward) if the Fund does not have sufficient net realised capital gains or net realised investment income from the current financial year.
- Should the Fund distribute out of capital, the capital of the Fund may be eroded and the value of future returns may be diminished.
- The Fund may distribute out of capital to return a portion of the capital growth to unitholders when the Fund has sufficient realised gains and realised investment income.

Reinvestment

- Distribution (if any) will be reinvested unless you opt for distribution to be paid out to you by indicating in the investment application form or PMO.
- Distribution will be reinvested at NAV per unit, computed at the close of the first Business Day following the distribution declaration date.
- No sales charge will be imposed on distribution reinvestments.
- Distribution less than RM100 per account will automatically be reinvested at NAV per unit.

Pay Out Option

- Please provide your bank account details by completing the Bank Account Registration Form or via PMO for distribution to be credited into your bank account.
- In the absence of a registered bank account, the distribution (if any) will be reinvested.
- Distribution payment that cannot be credited into the registered bank account will be reinvested following the unsuccessful crediting of the distribution payment.

Notify the Manager of any changes to your distribution instructions within 14 Business Days prior to each date fixed for the distribution.



Unit prices and distributions payable, if any, may go down as well as up.

Where unit splits or distribution is declared, following the issue of unit splits and/or distribution, the NAV per unit will be reduced accordingly to reflect/account for the unit splits and/or distribution.

Where unit splits is declared, the value of investment in RM terms will remain unchanged after the distribution of additional units.

3.11 UNCLAIMED MONIES

Any monies payable to you which remain unclaimed after such period (currently being 2 years) will be paid to Registrar of Unclaimed Monies by the Manager in accordance with the provisions of the Unclaimed Monies Act 1965.



3.12 KEEPING TRACK OF YOUR INVESTMENTS

Daily Prices of Units

Visit our website at www.publicmutual.com.my for daily NAV/price of the Fund.

Statement of Transaction

Statements of Transaction will be made available within 21 days from the date of each transaction to confirm the details of your transactions.

Annual/Interim Statement of Investment & Annual/Semi-annual Reports

Annual/Interim Statements and Annual/Semi-annual Reports which include a Summary of Distribution (if any) are made available within 2 months from the close of each financial year or interim period.

All reports and statements will be made available to you via PMO. No hard copies of reports and statements will be sent to you.

The Fund's annual report is available upon request.

Please contact Public Mutual Hotline at 03-2022 5000 for assistance.



This is neither a capital guaranteed nor a capital protected fund.

Unit prices may go down as well as up.

Past performance of the Fund is not an indication of its future performance.

3.13 AVENUE FOR ADVICE

For general enquiries or specific assistance regarding your investments with us, you may contact:-



Public Mutual Hotline at 03-2022 5000;

Public Bank Hotline at 03-2170 8000; or



Visit any Public Mutual Customer Service Centre located at its branch offices.

4.1 CORPORATE PROFILE OF PUBLIC MUTUAL

PELLGEF is managed by Public Mutual, a wholly owned subsidiary of Public Bank. Public Mutual is a licensed fund manager and Private Retirement Scheme (PRS) Provider and is the largest private unit trust manager in terms of NAV. Incorporated on 21 July 1975 under its former name Kuala Lumpur Mutual Fund Berhad, Public Mutual began its operations on 2 July 1980 and was among the early pioneers of the industry.

Please refer to <https://www.publicmutual.com.my/Menu/Corporate/Our-Profile> for more information pertaining to the profile of the Manager and <https://www.publicmutual.com.my/Menu/Corporate/Our-People> for information on Board of Directors.

4.2 ROLES, DUTIES AND RESPONSIBILITIES OF THE MANAGER

The roles, duties and responsibilities of the Manager include, but is not limited to, the following:-

- to ensure that the Fund is managed within the ambit of the Deed, securities laws and relevant guidelines at all times;
- to provide customer support to best serve the unitholders' needs;
- to keep unitholders informed of the management and performance of the Fund through semi-annual and annual reports;
- to ensure that the interest of the unitholders is best served and protected at all times.

4.3 THE INVESTMENT TEAM

The investment team of Public Mutual comprises more than 20 portfolio managers and a research team of more than 30 research analysts.

Please refer to <https://www.publicmutual.com.my/Menu/Corporate/Our-People> for profiles of the key members of the investment team responsible for the fund management function of the Fund.

4.4 RELATED PARTY TRANSACTIONS/CONFLICT OF INTEREST

The Fund's transactions with related parties are executed on terms that are best available to the Fund and which are no less favourable than arm's length transactions between independent parties.

Such transactions may include:

- dealings on sale and purchase of investment securities and instruments by the Fund.
- money market deposits and placements by the Fund.
- holding of units in the Fund by related parties.

Where a conflict of interest arises due to the director holding substantial shareholding or directorships of a company, and the Fund invests in securities or Islamic derivatives issued by that particular company, the said director shall abstain from any decision making relating to such securities or Islamic derivatives.

Employees of the Manager who are involved in fund management activities (including, but not limited to, employees who hold senior management position, are involved in the management of the Fund, are involved in the operation or transactions of the Fund management activities, or has information pertaining to the management of the Fund) are required to obtain prior written approval and declare their dealings in securities and Islamic derivatives, but excluding units in unit trust scheme, investments in equity crowdfunding and peer-to-peer financing.



4.5 DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the following documents (where applicable) may be inspected at the registered office of the Manager or such other place as the SC may determine:

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

4.6 POLICIES AND PROCEDURES ON MONEY LAUNDERING ACTIVITIES

The Manager has established a set of policies and procedures to counter the risk involving money laundering, financing of terrorism, proliferation financing and targeted financial sanctions, in compliance with the provisions of Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001. The policies and procedures encompass the following key initiatives:

- Provision of training and education on the subject matter to all employees, with emphasis on front-line personnel and members of the agency force;
- Setting up specific measures and controls with regard to customer identification and acceptance which include verification of the identity of customer via relevant identification documents;
- Ensuring prompt reporting of suspicious transactions to the Financial Intelligence and Enforcement Department of Bank Negara Malaysia.

5.1 CORPORATE PROFILE OF AMANAHRAYA TRUSTEES BERHAD (“ART”)

ART was incorporated under the laws of Malaysia and registered as a trust company under the Trust Companies Act 1949. ART is a subsidiary of Amanah Raya Berhad (“ARB”) which is wholly owned by the Government of Malaysia. ART took over the corporate trusteeship functions of ARB and acquired ARB’s experience of more than 50 years in trustee business.

5.2 ROLES, DUTIES AND RESPONSIBILITIES OF THE TRUSTEE

The Trustee of the Fund will perform among others, the following roles, duties and responsibilities:

- To act as the custodian of the Fund and safeguard the interest of the unitholders;
- To exercise due diligence and vigilance in carrying out its functions and duties in accordance with the Deed, securities laws and relevant guidelines;
- To ensure that the Manager manages and administers the Fund in accordance with the Deed, securities laws and relevant guidelines;
- To ensure proper records are kept of all transactions in respect of the Fund; and
- To ensure that the Manager keeps the Trustee fully informed of the details of the Manager’s policies in investments and any changes thereof.

The Trustee is not engaged in any material litigation and arbitration, either as plaintiff or defendant, and the Trustee is not aware of any proceedings, pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect its financial position or business.

Delegation of Custodian Function

ART has delegated its custodian function for the foreign investments of the Fund, if any, Citibank N.A., Singapore branch. Citibank N.A. in Singapore began providing a securities service in the mid-1970’s and a fully operational global custody product was launched in the early 1990’s. Today, their securities services business service a global client base of premier banks, fund managers, broker dealers and insurance companies.

The roles and duties of the trustee’s delegate are as follows:

- To act as sub-custodian for the selected cross-border investment of the Fund including the opening of cash and custody accounts and to hold in safe keeping the assets of the Fund.
- To provide corporate action information or entitlements arising from the above underlying assets.

6.1 GENERAL INFORMATION ON ZICO SHARIAH

ZICO Shariah Advisory Services Sdn. Bhd. (ZICO Shariah) is the Shariah Adviser to PELLGEF. ZICO Shariah is a member of ZICO Holdings and is registered with the SC to advise on sukuk issuances, Islamic funds as well as other Islamic capital market products and instruments. It is also approved by the Central Bank of Malaysia to provide Shariah advice, Shariah review and Shariah audit services to Islamic financial institutions. ZICO Shariah has more than 13 years of Shariah advisory experience.

6.2 ROLES AND RESPONSIBILITIES OF THE SHARIAH ADVISER

The roles and responsibilities of the Shariah Adviser include:

1. Ensuring that the operations and investments of the Fund are in compliance with Shariah principles/requirements;
2. Providing expertise and guidance for the Fund in all matters from the perspective of Shariah principles, including on the Fund's deed and prospectus, its structure and investment process, and other operational and administrative matters;
3. Consulting the SC who may consult the SACSC where there is any ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process;
4. Scrutinising the Fund's compliance reports as provided by the manager's compliance officer, transaction reports provided by or duly approved by the trustee and any other report deemed necessary for the purpose of ensuring that the Fund's investments are in line with Shariah principles;
5. Preparing reports to be included in the Fund's semi-annual and annual reports certifying whether the Fund have been managed and administered in accordance with the Shariah principles;
6. Ensuring that the Fund complies with any guideline, ruling or decision issued by the SC, with regard to Shariah matters;
7. Vetting and advising on the promotional materials of the Fund;
8. Assisting and attending to any ad-hoc meeting called by the SC and/or any other relevant authority;
9. Applying ijthad (intellectual reasoning) to ensure all aspects relating to the operations and investments of the Fund are in compliance with Shariah, in the absence of any rulings, principles and concepts endorsed by the SACSC.

The Shariah Adviser reviews the Fund's investments on a monthly basis to ensure compliance with Shariah requirements at all times and meets with the Manager on a quarterly basis to review and advise on the Fund's compliance with Shariah requirements.

Please refer to <https://www.publicmutual.com.my/Menu/Corporate/Shariah-Adviser> for more information pertaining to the profile of designated persons responsible for Shariah matters relating to the Fund.

The Fund is governed by a master deed dated 23 March 2021, seventh supplemental master deed dated 27 May 2022, tenth supplemental master deed dated 21 October 2022, eleventh supplemental master deed dated 19 October 2023 and thirteenth supplemental master deed dated 30 July 2024.

7.1 UNITHOLDERS' RIGHTS AND LIABILITIES

A unitholder is a person registered in the register as a holder of units or fractions of units in a fund which automatically accord him rights and interests in the fund.

Unitholders shall have the right in respect of the Fund in which they hold units, to the following:

- (a) to receive distributions of the Fund (if any) and participate in any increase in the capital value of the units.
- (b) to call for a unitholders' meeting, and to vote for the removal of the trustee or the Manager through a Special Resolution.
- (c) to exercise the cooling-off right, if applicable.
- (d) to receive annual and semi-annual reports of the Fund.
- (e) to exercise such other rights and privileges as are provided for in the Deed.

No unitholder shall be entitled to require the transfer to him of any of the assets comprised in the Fund or be entitled to interfere with or question the exercise by the trustee or the Manager on his behalf of the rights of the trustee as owner of such assets.

No unitholders shall by reason of the provisions of the Deed and the relationship created thereby between the unitholders, the trustee and the Manager be liable for any amount in excess of the purchase price paid for the unit, and shall not be under any obligation to indemnify the trustee and/or the Manager in the event that the liabilities incurred by the trustee and the Manager in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the assets of the Fund, and any right of indemnity of the trustee and/or Manager will be limited to recourse to the Fund.

7.2 MAXIMUM FEES AND CHARGES PERMITTED BY THE DEED

Management fee

2.0% per annum of the NAV.

Trustee fee

Not exceeding 0.06% per annum, calculated daily on the NAV, but subject to any minimum fee (inclusive of the custodian fee) per annum and/or maximum fee (inclusive of the custodian fee) per annum as shall be agreed upon by the Manager and the trustee.

Sales charge

7% of the NAV per unit.

Redemption charge

3% of the NAV per unit.

Switching charge

Not exceeding 7% of the NAV per unit. An administrative fee in relation to switching may be charged as set out in the Prospectus.

A lower fee and/or charges than what is stated in the Deed may be charged. All current fees and charges are disclosed in the Prospectus.

Any increase of the fees and/or charges above that stated in the current Prospectus may be made provided that a supplemental prospectus is issued and the maximum stated in the Deed shall not be breached.

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

All the above fees and charges may be subject to applicable taxes and/or duties (if any). The Manager shall charge and the unitholder shall pay the amount of any applicable tax and/or duties imposed on any transaction requested by the unitholder.



7.3 PERMITTED EXPENSES PAYABLE OUT OF THE FUND

Only expenses directly related and necessary in operating and administering a fund may be paid out of the fund. The major expenses that are recoverable directly from the Fund include:

- (i) commission or fees paid to brokers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes or difference accounts;
- (ii) (where the foreign custodial function is delegated to sub-custodian), the remuneration paid to the sub-custodian;
- (iii) tax and other duties charged on the Fund by the government and other authorities;
- (iv) the fee and other expenses properly incurred by the auditor and all professional and accounting fees and disbursements approved by the trustee;
- (v) fees for the valuation of any investment of the Fund;
- (vi) costs incurred for the modification of the Deed other than those for the benefit of the Manager or the trustee;
- (vii) costs incurred for any meeting of unitholders other than those convened by the Manager or trustee for its own benefit;
- (viii) the costs of printing and dispatching to unitholders the accounts of the Fund, tax certificates, distribution warrants, notices of meeting of unitholders, newspaper advertisement and such other similar costs as may be approved by the trustee; and
- (ix) any other expenses properly incurred by the trustee in the performance of its duties and responsibilities.

7.4 RETIREMENT, REMOVAL AND REPLACEMENT OF THE MANAGER

The Manager may retire upon giving 12 months notice to the trustee of its desire to do so, or such shorter period as the Manager and the trustee shall agree upon, in favour of some other corporation.

The Manager may be removed and another corporation appointed as manager by Special Resolution of the unitholders at a unitholders' meeting convened in accordance with the Deed either by the trustee or the unitholders.

The trustee shall take reasonable steps to remove and replace the Manager as soon as practicable after becoming aware of any such circumstances:

- (a) A Special Resolution to that effect has been duly passed by the unitholders at a meeting called for that purpose;
- (b) The Manager is in breach of its obligations under the Deed;
- (c) The Manager has failed or neglected to carry out its duties to the satisfaction of the trustee and the trustee considers that it would be in the interests of unitholders for it to do so, after the trustee has given notice and reasons and has considered any representations made by the Manager in respect of that opinion, and after consultation with the relevant authorities and with the approval of the unitholders; or
- (d) The Manager has gone into liquidation (except a voluntary liquidation for the purpose of amalgamation or reconstruction or some similar purpose) or has had a receiver appointed or has ceased to carry on business,

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

In any of the cases aforesaid the Manager for the time being shall upon receipt of such notice by the trustee cease to be the Manager and the trustee shall by writing under its seal appoint some other corporation to be the Manager of the Fund subject to such corporation entering into a deed or deeds with the trustee and thereafter act as Manager during the remainder period of the Fund.



7.5 RETIREMENT, REMOVAL AND REPLACEMENT OF THE TRUSTEE

The trustee may retire upon giving 12 months notice to the Manager of its desire to do so, or such shorter period as the Manager and the trustee shall agree upon, and may appoint a new trustee in his stead or as additional trustee.

The Manager shall take reasonable steps to remove and replace a trustee as soon as practicable after becoming aware of any such circumstances:

- (a) The trustee has ceased to exist;
- (b) The trustee has not been validly appointed;
- (c) The trustee is not eligible to be appointed or to act as trustee under section 290 of the CMSA 2007;
- (d) The trustee has failed or refused to act as trustee in accordance with the provisions or covenants of the Deed or the provision of the CMSA 2007;
- (e) A receiver is appointed over the whole or a substantial part of the assets or undertaking of the existing trustee and has not ceased to act under the appointment, or a petition is presented for the winding up of the existing trustee (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the existing trustee becomes or is declared to be insolvent); or
- (f) The trustee is under investigation for conduct that contravenes Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 2016 or any securities law.

In addition to the above, the trustee may be removed and another trustee appointed by Special Resolution of the unitholders at a unitholders' meeting convened in accordance with the Deed either by the Manager or the unitholders.

7.6 TERMINATION OF THE FUND

A fund may be terminated or wound-up upon the occurrence of any of the following events:-

- (a) the SC's approval is revoked under Section 256E of the CMSA 2007;
- (b) a Special Resolution is passed at a unitholders' meeting to terminate or wind-up that Fund, following the occurrence of events stipulated under Section 301(1) of the CMSA 2007 and the court has confirmed the resolution, as required under Section 301(3) of the CMSA 2007;
- (c) a Special Resolution is passed at a unitholders' meeting to terminate or wind-up the Fund; or
- (d) the effective date of an approved transfer scheme, as defined under the SC Guidelines, has resulted in the Fund, which is the subject of the transfer scheme, being left with no asset/property.

Notwithstanding the above, a fund may be terminated or wound-up, without the need to seek unitholders' prior approval, as proposed by the Manager with the consent of the trustee (which consent shall not be unreasonably withheld) upon the occurrence of any of the following events, by giving not less than three (3) months' notice in writing to the unitholders as hereinafter provided:-

- (i) if any law shall be passed which renders it illegal or in the opinion of the Manager impracticable or inadvisable to continue the trust; or
- (ii) such circumstance of termination of the Fund is in the best interest of the unitholders; or
- (iii) if in the reasonable opinion of that Manager it is impracticable or inadvisable to continue the Fund.



7.7 UNITHOLDERS' MEETING

A unitholders' meeting may be called by the Manager, trustee and/or unitholders. Any such meeting must be convened in accordance with the Deed and/or the SC Guidelines.

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

The quorum for a meeting of unitholders of a fund is 5 unitholders of that fund, whether present in person or by proxy, provided always that for a meeting which requires a Special Resolution the quorum for that meeting shall be 5 unitholders, whether present in person or by proxy, holding in aggregate at least 25% of the units in issue for that fund at the time of the meeting. If the fund has 5 or less unitholders, the quorum required shall be 2 unitholders, whether present in person or by proxy and if the meeting requires a Special Resolution the quorum for that meeting shall be 2 unitholders, whether present in person or by proxy, holding in aggregate at least 25% of the units in issue for that fund at the time of the meeting. In the case of a fund with 1 remaining unitholder, such unitholder, whether present in person or by proxy, at the meeting shall constitute a quorum.

7.8 CLASSES OF UNITS

The Manager shall have the sole and absolute right to issue and/or establish other, different or new classes of units to a fund with different and/or similar features including but not limited to fees, charges, currency and/or distribution policy with that of the units without the need to seek unitholders' prior approval provided the issuance of other classes and the imposition of the terms shall not in the opinion of the Manager and trustee prejudice the rights of the unitholder of the current classes of units to that fund. Where a new class is established or issued, units in any existing class and any other units may be re-designated so long as there is no prejudice to the existing unitholders of such class of units as a whole.



Public Mutual Berhad
8th Floor, Menara Public Bank 2
No. 78, Jalan Raja Chulan
50200 Kuala Lumpur

19 July 2024

Dear Sirs

Re: Taxation of the Fund and Unit Holders

This letter has been prepared for inclusion in this First Prospectus of Public e-Islamic India Global Equity Fund in connection with the offer of units in the Public e-Islamic India Global Equity Fund ("the Fund").

Taxation of the Fund

Income Tax

The Fund is a unit trust for Malaysian tax purposes. The taxation of the Fund is therefore governed principally by Sections 61 and 63B of the Income Tax Act, 1967 ("the Act").

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

Subject to certain exemptions, the income of the Fund in respect of investment income derived from or accruing in Malaysia is liable to income tax at the rate of 24% effective Year of Assessment ("YA") 2016.

The Fund may receive dividends, interest and other income from investments outside Malaysia. Income derived from sources outside Malaysia and received in Malaysia was previously exempt from Malaysian income tax. However, such income may be subject to tax in the country from which it is derived.

Based on the Finance Act 2021, income derived by a resident unit trust from foreign sources and received in Malaysia from 1 January 2022 onwards will be subject to Malaysian income tax. A transitional tax rate of 3% is accorded on the gross amount of the foreign income received in Malaysia from 1 January 2022 to 30 June 2022. From 1 July 2022, the prevailing tax rate of 24% will apply to the chargeable income computed in respect of the foreign source income remitted into Malaysia by the Fund¹.

Where the same foreign income has been taxed in both Malaysia and the foreign country, a tax credit in the form of bilateral relief under a Double Tax Agreement ("DTA") or unilateral relief under the domestic law (if there is no available DTA or a limited DTA which does not provide such relief) may be given in respect of such income, subject to conditions.

Gains from the realisation of investments by the Fund was previously not subject to income tax in Malaysia. However, such gains may be subject to tax in the country from which it is derived.

¹ The Ministry of Finance has announced that it has agreed to exempt the imposition of taxes on foreign source income on unit trusts. The exemption will take effect from 1 January 2024 until 31 December 2026. However, relevant legislations for the exemption have not been gazetted.



Based on the Finance (No. 2) Act 2023, gains or profits from the disposal of capital assets will be subject to income tax in Malaysia under the newly introduced Section 4(aa) of the Act (i.e. Capital Gains Tax ["CGT"]). Further to the introduction of CGT, gains from the realisation of investment by the Fund will be regarded as income and subject to tax under the CGT regime. With effect from 1 January 2024, CGT will be imposed on the Fund on gains arising from:-

- (a) a disposal of shares in companies incorporated in Malaysia not listed on the stock exchange ("Malaysian shares")²;
- (b) a disposal of shares of a controlled company incorporated outside Malaysia which owns real property situated in Malaysia or shares of another controlled company, subject to meeting the 75% threshold conditions ("Section 15C shares")²; and
- (c) a disposal of capital assets situated outside Malaysia ("foreign capital assets") that occurs on or after 1 January 2024, when the gains are received in Malaysia³.

Pursuant to Section 2 of the Act, "share" is defined in relation to a company, includes stock other than debenture stock.

For the disposal of Malaysian shares and Section 15C shares that are acquired prior to 1 January 2024, the following CGT tax rate may be applied:-

- 10% on the chargeable income from the disposal of the capital assets; or
- 2% of gross on the disposal price of the capital assets.

CGT tax rate of 10% will apply on the chargeable income from the disposal of Malaysian shares and Section 15C shares that are acquired on or after 1 January 2024.

Gains from disposal of foreign capital assets received in Malaysia will be subject to CGT based on the prevailing income tax rate of the Fund (i.e., 24%). The relevant DTAs need to be studied to ascertain whether any relief or exemption is available over such gains.

Based on the announcement in the 2024 Budget, CGT exemption will also be given on disposal of shares related to approved initial public offering, venture companies and group restructuring. However, this exemption was not included in the Finance (No. 2) Act 2023. Subsidiary legislation may be enacted to provide for such exemption.

In addition, the Ministry of Finance has also subsequently announced that it has agreed to exempt unit trusts from CGT from 1 January 2024 until 31 December 2028. However, relevant legislations for the exemption have not been gazetted.

However, gains from the realisation of investments by the Fund which relate to real property as defined in the Real Property Gains Tax ("RPGT") Act, 1976 will not be subject to CGT under the Act and will remain to be subjected to RPGT.

² The Income Tax (Exemption) (No. 7) Order 2023 and Income Tax (Exemption) (No. 2) Order 2024 were gazetted to provide 2-months exemption for disposal of unlisted shares of a company incorporated in Malaysia and disposal of Section 15C shares made on or after 1 January 2024 to 29 February 2024. However, the exemptions do not apply to gains or profits from the disposal of shares chargeable to tax as a business income under Section 4(a) of the Act.

³ The Income Tax (Exemption) (No. 3) Order 2024 provides CGT exemption on gains or profits from the disposal of foreign capital assets (excluding intellectual property rights) made by in-scope taxpayers (including unit trust) which are received in Malaysia from 1 January 2024 to 31 December 2026, subject to compliance with the prescribed economic substance requirements. In the case of the Fund, it may not comply with this requirement.



Notwithstanding the above, gains or profits earned by the Fund from the following are exempt from tax:-

- any savings certificates issued by the Government; or
- securities or bonds issued or guaranteed by the Government; or
- debentures or sukuk, other than convertible loan stock, approved or authorized by, or lodged with, the Securities Commission; or
- Bon Simpanan Malaysia issued by the Central Bank of Malaysia; or
- a bank or financial institution licensed under the Financial Services Act 2013 or Islamic Financial Services Act 2013⁴; or
- any development financial institution regulated under the Development Financial Institutions Act 2002⁴; or
- sukuk originating from Malaysia, other than convertible loan stocks, issued in any currency other than Ringgit and approved or authorized by, or lodged with, the Securities Commission, or approved by the Labuan Financial Services Authority⁵.

Discounts earned by the Fund from the following are also exempt from tax:-

- securities or bonds issued or guaranteed by the Government; or
- debentures or sukuk, other than convertible loan stock, approved or authorized by, or lodged with, the Securities Commission; or
- Bon Simpanan Malaysia issued by the Central Bank of Malaysia.

Tax deductions in respect of the Fund's expenses such as manager's remuneration, expenses on maintenance of register of unit holders, share registration expenses, secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage ("permitted expenses") are allowed based on a prescribed formula subject to a minimum of 10% and a maximum of 25% of the total permitted expenses.

Single tier Malaysian dividends received by the Fund are exempt from tax and expenses in relation to such dividend income are disregarded.

RPGT

Gains on disposal of investments by the Fund was previously not subject to income tax in Malaysia. However, such gains may be subject to RPGT in Malaysia, if the gains are derived from sale of Malaysian real properties and shares in Malaysian real property companies (as defined). Such gains would be subject to RPGT at the applicable rate depending on the holding period of the chargeable assets.

Based on the Finance (No. 2) Act 2023, gains from the disposal of shares in real property companies (as defined) by the Fund would no longer be subject to RPGT, with effect from 1 January 2024. The gains would be subject to CGT under the Act unless CGT exemption is available. Gains from the realisation of investments which relate to real property as defined in the RPGT Act, 1976 will remain to be subjected to RPGT.

Sales Tax and Service Tax

Under the Sales Tax Act 2018, Service Tax Act 2018 and subsidiary legislation, the sales tax rate for taxable goods is 5% or 10% while the service tax rate for taxable services is generally at 6% or 8% depending on the type of taxable services⁶. There are certain goods which are exempted from sales tax.

⁴ Effective from 1 January 2019, the exemption shall not apply to the interest paid or credited to a unit trust that is a wholesale fund which is a money market fund.

⁵ Effective from YA 2017, income tax exemption shall not apply to interest paid or credited to a company in the same group, licensed banks and prescribed development financial institutions. Based on the Finance Act 2021, income tax exemption shall also not apply to interest paid or credited by a special purpose vehicle to a company pursuant to the issuance of asset-backed securities lodged with the Securities Commission or approved by the Labuan Financial Services Authority from 1 January 2022 where the company and the person who established the special purpose vehicle solely for the issuance of the asset-backed securities are in the same group.

⁶ Effective 1 March 2024, the Service Tax rate has increased from 6% to 8% on all taxable services except for food and beverage, telecommunication services, parking and logistics services. The scope of taxable services is also expanded to cover karaoke, maintenance and repair services, brokerage and underwriting services and logistic services.



The issue, holding or redemption of any unit under a trust fund does not fall within the list of taxable services under the First Schedule of the Service Tax Regulations 2018 and hence, is not subject to service tax. The investment activities of the Fund such as buying and selling of securities and deposits in financial institutions are also not subject to service tax. As such, if the Fund is only deriving income from such activities, the Fund is not liable to be registered for service tax. However, in the event if the Fund earns any other income which involves the provision of services, it needs to be assessed whether the services are taxable services.

Separately, certain expenses incurred by the Fund such as legal fees, consultancy fees and management fees may be subject to service tax at 8%. For management fees, this specifically excludes fees charged by any person who is licensed or registered with the Securities Commission for carrying out the regulated activity of fund management under the Capital Markets and Services Act 2007. The service tax incurred by the Fund is a cost to the Fund and is not recoverable.

Based on the Finance Act 2018, the imposition and scope of service tax has been widened to include any imported taxable service. This is effective from 1 January 2019.

Taxation of Unit Holders

Income Tax

Unit holders are taxed on an amount equivalent to their share of the total taxable income of the Fund, to the extent that this is distributed to them. The income distribution from the Fund may carry with it applicable tax credits proportionate to each unit holder's share of the total taxable income in respect of the tax paid by the Fund. Unit holders will be entitled to utilise the tax credit as a set off against the tax payable by them. Any excess over their tax liability will be refunded to the unit holders.

Based on the Finance (No.2) Act 2023, CGT will apply to a company, limited liability partnership, trust body (including unit trust) and co-operative society excluding an individual. The income distributed to unit holders out of the gains arising from the realisation of investments will continue to be not taxable in the hands of unit holders and unit holders may not claim a tax credit on any CGT paid by the Fund, effective 1 January 2024.

Corporate unit holders, resident or non-resident in Malaysia, would be taxed at the corporate tax rate of 24% (effective from YA 2016), on distributions of income from the Fund to the extent of an amount equivalent to their share of the total taxable income of the Fund. Corporate unit holders in Malaysia with paid-up capital in the form of ordinary shares of RM2.5 million and below will be subject to a tax rate of 17% on chargeable income of up to RM600,000, effective from YA 2020. This concessionary income tax rate is given only to corporate unit holders having gross business income for the relevant year of assessment of not more than RM50 million, in addition to the share capital requirement. For chargeable income in excess of RM600,000, the tax rate of 24% is still applicable.

However, the said tax rate of 17% on chargeable income of up to RM600,000 would not apply if more than 50% of the paid up capital in respect of ordinary shares of that corporate unit holder is directly or indirectly owned by a related company which has a paid up capital exceeding RM2.5 million in respect of ordinary shares, or vice versa, or more than 50% of the paid up capital in respect of ordinary shares of both companies are directly or indirectly owned by another company.

Based on the Finance Act 2023, the tax rate of 17% will be reduced to 15% for chargeable income of up to RM150,000, while the tax rate for chargeable income from RM150,001 up to RM600,000, will remain unchanged at 17%. For chargeable income in excess of RM600,000, the tax rate of 24% will apply. This is effective from YA 2023.

In addition to the current conditions as mentioned above, the preferential tax rate would not apply if more than 20% of the paid-up capital in respect of ordinary shares of the company at the beginning of the basis period for a YA is directly or indirectly owned by a company or companies incorporated outside Malaysia or an individual or individuals who are not Malaysian citizens. This is effective from YA 2024.

Individuals and other non-corporate unit holders who are resident in Malaysia will be subject to income tax at scale rates. The scale tax rates range from 0% to 30% with effect from YA 2020.



Individuals and other non-corporate unit holders who are not resident in Malaysia, for tax purposes, are subject to Malaysian income tax at the rate of 30% with effect from YA 2020. Non-resident unit holders may also be subject to tax in their respective jurisdictions and depending on the provisions of the relevant tax legislation and any double tax treaties with Malaysia, the Malaysian tax suffered may be creditable in the foreign tax jurisdiction.

The distribution of single-tier Malaysian dividends and tax exempt income by the Fund will not be subject to tax in the hands of the unit holders in Malaysia. Units split by the Fund will also be exempt from tax in Malaysia in the hands of the unit holders.

However, based on the Finance Act 2021, the income distributed to a unit holder other than an individual, out of the interest income exempt from tax of a unit trust that is a retail money market fund which is paid or credited by a bank or financial institution licensed under the Financial Services Act 2013 or Islamic Financial Services Act 2013, or any development financial institution regulated under the Development Financial Institutions Act 2002, will be subjected to tax. This is effective from 1 January 2022. Further, a new withholding tax mechanism is applicable on the above distribution. The income distributed to the unit holder other than an individual will be subject to withholding tax at the rate of 24% and the tax deducted can be utilised to set off against the tax payable by a tax resident unit holder. Withholding tax deducted on the income distributed to a non-individual unit holder who is not a tax resident in Malaysia will be regarded as a final tax. This is effective from 1 January 2022.

Any gains realised by the unit holders (other than financial institutions, insurance companies and those dealing in securities) from the transfer or redemption of the units are generally treated as capital gains. However, certain unit holders may be subject to income tax in Malaysia on such gains, due to specific circumstances of the unit holders.

Service Tax

Only taxable services listed in the First Schedule of the Service Tax Regulations 2018 are subject to service tax, which exclude investment income or gains.

However, certain expenses such as legal fees, consultancy fees and management fees may be subject to service tax at 8%. For management fees, this specifically excludes fees charged by any person who is licensed or registered with the Securities Commission for carrying out the regulated activity of fund management under the Capital Markets and Services Act 2007.

Based on the Finance Act 2018, the imposition and scope of service tax has been widened to include any imported taxable service. This is effective from 1 January 2019.

The tax position is based on our understanding and interpretation of the Malaysian tax legislations and proposals as they stand at present. All prospective investors should not treat the contents of this letter as advice relating to taxation matters and are advised to consult their own professional advisers concerning their respective investments.

Yours faithfully

Ong Guan Heng
Executive Director

KPMG Tax Services Sdn Bhd



DIRECTORY OF PUBLIC MUTUAL BRANCH OFFICES AND CUSTOMER SERVICE CENTRES

Head Office

Menara Public Bank 2,
No. 78, Jalan Raja Chulan,
50200 Kuala Lumpur.
☎ : 03-20226800 📠 : 03-20226900
📞 : 03-20225000
🌐 : www.publicmutual.com.my

Mutual Gold Centre

Menara Public Bank 2,
No. 78, Jalan Raja Chulan,
50200 Kuala Lumpur.
📞 : 03-20225000

Branches and Customer Service Centres

West Malaysia

Northern Region

Alor Setar

8G, Samila Business Centre,
Lebuhraya Darulaman,
05100 Alor Setar, Kedah.
☎ : 04-7366500 📠 : 04-7364655

Ipoh

37 & 39, Persiaran Greentown 4,
Greentown Business Centre,
30450 Ipoh, Perak.
☎ : 05-2462500 📠 : 05-2559859

Sungai Petani

9D & 9E, Jalan Kampung Baru,
08000 Sungai Petani, Kedah.
☎ : 04-4558500 📠 : 04-4230663

Seberang Perai

1797-G-04, Kompleks Auto World,
Jalan Perusahaan, Juru Interchange,
13600 Prai, Penang.
☎ : 04-5407500 📠 : 04-5050005

Penang

16, Lintang Burma,
10250 Pulau Tikus, Penang.
☎ : 04-2196500 📠 : 04-2295171

Central Region

1 Utama Shopping Centre

Lot LG-313-E,
1, Lebuhraya Bandar Utama,
Bandar Utama City Centre,
47800 Petaling Jaya, Selangor.
☎ : 03-20225000 📠 : 03-77263811

Bangsar

11, 15 & 17, Jalan Bangsar Utama 3,
Bangsar Utama, 59000 Kuala Lumpur.
☎ : 03-20225000 📠 : 03-22835739

Cheras

G-3 & G-3A,
Wisma Aman Elite,
3, Jalan Desa Aman 1,
Desa Aman, Cheras,
56100 Kuala Lumpur.
☎ : 03-20225000 📠 : 03-91321022

Klang

28, 30 & 32, Lorong Batu Nilam 3B,
Bandar Bukit Tinggi,
41200 Klang, Selangor.
☎ : 03-20225000 📠 : 03-33235632



DIRECTORY OF PUBLIC MUTUAL BRANCH OFFICES AND CUSTOMER SERVICE CENTRES (CONT'D)

Central Region (cont'd)

Damansara Perdana

1 & 3, Jalan PJU 8/5 I,
Perdana Business Centre,
Bandar Damansara Perdana,
47820 Petaling Jaya, Selangor.
☎: 03-20225000 📠: 03-77222475

Shah Alam

54 & 56, Jalan Pahat G15/G,
Kompleks Otomobil,
Persiaran Selangor,
Seksyen 15,
40200 Shah Alam, Selangor.
☎: 03-20225000 📠: 03-55139288

Puchong

39 & 41, Jalan Puteri 1/4,
Bandar Puteri Puchong,
47100 Puchong, Selangor.
☎: 03-20225000 📠: 03-80653010

Southern Region

Batu Pahat

119, Jalan Chengal,
Taman Makmur,
83000 Batu Pahat, Johor.
☎: 07-4363500 📠: 07-4326588

Kluang

3, Jalan Dato Teoh Siew Khor,
86000 Kluang, Johor.
☎: 07-7391500 📠: 07-7736195

Muar

46, Jalan Sayang,
84000 Muar, Johor.
☎: 06-9562500 📠: 06-9536830

Johor Bahru

B-19, Jalan Molek 1/5A,
Taman Molek,
81100 Johor Bahru, Johor.
☎: 07-3607500 📠: 07-3548600

Melaka

929 & 930, Jalan Merdeka,
Taman Melaka Raya,
75000 Melaka.
☎: 06-2855500 📠: 06-2837354

Seremban

1A & 1B, Jalan Tuanku Munawir,
70000 Seremban, Negeri Sembilan.
☎: 06-6372500 📠: 06-7644237

East Coast Region

Kota Bharu

PT 304 & PT 305, Jalan Kebun Sultan,
15300 Kota Bharu, Kelantan.
☎: 09-7263500 📠: 09-7476026

Kuantan

71 & 73, Jalan Haji Abdul Aziz,
25000 Kuantan, Pahang.
☎: 09-5118500 📠: 09-5161223

Kuala Terengganu

1-C, Jalan Air Jernih,
20300 Kuala Terengganu, Terengganu.
☎: 09-6321500 📠: 09-6317030

Temerloh

10, 11 & 12, 2nd Floor,
Jalan Ahmad Shah,
Bandar Sri Semantan,
28000 Temerloh, Pahang.
☎: 09-2955500 📠: 09-2968060



DIRECTORY OF PUBLIC MUTUAL BRANCH OFFICES AND CUSTOMER SERVICE CENTRES (CONT'D)

East Malaysia

Sabah

Kota Kinabalu

Lot 1-0-10,
Lorong Api-Api 1,
Api-Api Centre,
88000 Kota Kinabalu, Sabah.
☎: 088-327500 📠: 088-238389

Sandakan

Lot 16, Block B,
Bandar Maju Commercial Centre,
Mile 1.5, North Road,
90000 Sandakan, Sabah.
☎: 089-231500 📠: 089-222889

Tawau

TB 4437, Lot 28, Block D,
Sabindo Square,
Jalan Dunlop,
91000 Tawau, Sabah.
☎: 089-982500 📠: 089-765326

Sarawak

Bintulu

4, Lot 2646,
Jalan Tun Ahmad Zaidi,
97000 Bintulu, Sarawak.
☎: 086-859500 📠: 086-330221

Kuching

Lot 205 & 206, Section 49,
Jalan Tunku Abdul Rahman,
93100 Kuching, Sarawak.
☎: 082-226500 📠: 082-239825

Miri

D-G-16, Miri Times Square,
Marina Parkcity,
98000 Miri, Sarawak.
☎: 085-323500 📠: 085-416195

Sibu

10, Lorong 2,
Jalan Tuanku Osman,
96000 Sibu, Sarawak.
☎: 084-363500 📠: 084-330269

Public Mutual offices are open on Mondays to Fridays, except public holidays; Mondays to Thursdays from 8:30 a.m. to 5:30 p.m. and Fridays from 8:30 a.m. to 4:30 p.m. The service centre at 1 Utama Shopping Centre is open daily from 10:00 a.m. to 10:00 p.m.

**Penang (Bayan Baru)**

Liang Wing Sim Agency Office
104, 1st Floor, Jalan Mayang Pasir,
Taman Sri Tunas,
Bayan Baru,
11950 Bayan Lepas, Penang.
☎: 04-6422170/1 📠: 04-6411268

Sarawak (Sarikei)

Ling Chai Kua Agency Office
1st Floor, No.28, Jalan Nenas Lrg 2,
96100 Sarikei, Sarawak.
☎: 084-652094



Units of the Fund can be bought or sold at the branches of the following distributor:

Public Bank Berhad (196501000672 (6463-H))

Menara Public Bank,
146, Jalan Ampang,
50450 Kuala Lumpur.

☎ : 03-2176 6000 / 2176 6666

🕒 : 03-2170 8000

This page is intentionally left blank.

MANAGER OF THE FUND

Public Mutual Berhad (197501001842 (23419-A))
(Incorporated in Malaysia under the Companies Act 1965)

HEAD OFFICE

Menara Public Bank 2,
No. 78, Jalan Raja Chulan,
50200 Kuala Lumpur.

CUSTOMER SERVICE HOTLINE

03-2022 5000

TELEPHONE

03-2022 6800

FACSIMILE

03-2022 6900

WEBSITE

www.publicmutual.com.my

FOLLOW US

