PROSPECTUS

PUBLIC e-FAR-EAST DIVIDEND FUND

(FORMERLY KNOWN AS PUBLIC FAR-EAST DIVIDEND FUND)

THIS IS A REPLACEMENT PROSPECTUS. THIS PROSPECTUS IS ISSUED TO REPLACE AND/OR SUPERSEDE THE INFORMATION ON PUBLIC FAR-EAST DIVIDEND FUND IN THE MASTER PROSPECTUS 1 OF PUBLIC SERIES OF FUNDS DATED 28 AUGUST 2023 AND 1ST SUPPLEMENTAL PROSPECTUS OF MASTER PROSPECTUS 1 OF PUBLIC SERIES OF FUNDS DATED 3 DECEMBER 2025.

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 20 November 2026 **Date of Constitution of the Fund: 28 November 2006**



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 this 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.

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.

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ART or the Trustee	AmanahRaya Trustees Berhad (200701008892 (766894-T))
Bursa Securities	Bursa Malaysia Securities Berhad
Business Day(s)	Each weekday in which Bursa Securities is open for dealing. *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.*
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.
debt securities	Debt securities refer to bonds or other forms of securitised debt and sukuk.
deposits	Sum of money placed with licensed financial institutions in accordance with Financial Services Act 2013 and Islamic Financial Services Act 2013.
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.
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.
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.

KLIBOR	Kuala Lumpur Interbank Offered Rate
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
PeFEDF or the Fund	Public e-Far-East Dividend Fund *(formerly known as Public Far-East Dividend Fund)*
PeINCF	Public e-Income Fund
PeISINCF	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 PMO PLUS mobile application.
Prospectus	Prospectus of PeFEDF
Public Bank	Public Bank Berhad (196501000672 (6463-H))
Public e-Series of Funds	Funds under this series include Public e-Far-East Dividend Fund *(formerly known as Public Far-East Dividend Fund)*, 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. *Please refer to our website at www.publicmutual.com.my for the current list of funds under this series.*
Public e-Series of Shariah-based Funds	Funds under this series include 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 India Global Equity 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. *Please refer to our website at www.publicmutual.com.my for the current list of funds under this series.*

Public Mutual or the Manager	Public Mutual Berhad (197501001842 (23419-A))
RM	Ringgit 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.
securities equivalent to shares	Securities equivalent to shares include units or shares in business trusts, depository receipts, participatory notes, rights, warrants and any other rights, options or interests that can be converted into new shares.
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.
SST	Sales and Service Tax
stocks which offer attractive dividend yields	Stocks with consistency in rewarding shareholders via dividend payouts.
Tax Agent of the Fund	KPMG Tax Services Sdn Bhd
the Deed	The Deed means the master deed dated 28 January 1999 and all supplemental deeds entered into between the Trustee and the Manager for the registered holders of PeFEDF.
transferable securities	Transferable securities refer to: (a) shares or securities equivalent to shares; (b) bonds or other forms of securitised debt; (c) sukuk; but do not include money market instruments or any security where the title can be transferred only with the consent of a third party; and (d) 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 funds by the issuer.
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 PeFEDF, 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.
warrants	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.

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: 03-8680 5129 Fax: 03-8680 5214
e-mail: info@artrustees.com.my
Web: https://www.artrustees.my

The Trustee, Trustee's Delegate and Tax Agent 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-Far-East Dividend Fund (PeFEDF) *(formerly known as Public Far-East Dividend Fund)*
Category of Fund	Equity
Financial Year End	30 November
Distribution Policy	At least once a year
Fund Objective	To provide income* by investing in a portfolio of stocks primarily in domestic and regional markets which offer or have the potential to offer attractive dividend yields. *Notes:* **Distribution (if any) will be reinvested unless unitholders opt for distribution to be paid out. Please refer to page 25 for more information on distribution.* *Any material changes to the investment objective of the Fund would require unitholders' approval.*

Investment Policy and Strategy

Typical Asset Classes	• Transferable securities: ➢ Shares that the Fund may invest in include: ❖ stocks that offer or have the potential to offer attractive dividend yields. ❖ growth or recovery stocks that have the potential to eventually adopt a dividend payout policy. • Unlisted shares. • Units or shares of other collective investment schemes. • Money market instruments which include unrestricted investment accounts. • Deposits with licensed domestic and foreign financial institutions.
Asset Allocation	**Shares or securities equivalent to shares**: 75% to 98% of the Fund's NAV The balance of the Fund's NAV may be invested in bonds or other forms of securitised debt, money market instruments and deposits. *If the outlook for equity market is unfavourable, the shares or securities equivalent to shares exposure may be reduced to below the range indicated above while the exposure to bonds or other forms of securitised debt, money market instruments and deposits may be increased as a temporary defensive strategy.* **Foreign assets**: Up to 98% of the Fund's NAV
Location of Assets	• South Korea • China • Taiwan • Hong Kong • Malaysia • Philippines • Indonesia • Singapore • Thailand • Vietnam • Any other selected foreign markets outside of the Far-East region (up to 25% of its NAV).

Investment Approach	**Shares or securities equivalent to shares**	Bottom-up approach in shares or 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.
	Collective investment schemes	The suitability of the collective investment scheme will be evaluated to ensure that the investment strategies of the said collective investment scheme are aligned to the Fund's investment strategies and objective.
	Bonds or other forms of securitised debt and money market instruments	The asset allocation between bonds or other forms of securitised debt and money market instruments will depend on economic growth, interest rate trends and market liquidity conditions.

Selected Performance Benchmark for PeFEDF

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

Percentage	Index
90%	Dow Jones Asia Select Dividend 100 Index
10%	3-Month KLIBOR

The Dow Jones Asia Select Dividend 100 Index tracks the performance of 100 high-dividend-paying stocks in Asia with a record of consistently paying dividends. This composite benchmark index is an appropriate performance benchmark for PeFEDF as the Fund is an equity fund which generally has an equity weight of 90% of its NAV over the medium to long term.

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

Index	Source
Dow Jones Asia Select Dividend 100 Index	S&P Dow Jones Indices, LLC.
3-Month KLIBOR	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 Dow Jones Asia Select Dividend 100 Index ("the Index") is a product of S&P Dow Jones Indices LLC or its affiliates ("SPDJI"), and has 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. PeFEDF 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 PeFEDF or any member of the public regarding the advisability of investing in securities generally or in PeFEDF particularly or the ability of the Index to track general market performance. Past performance of an index is not an indication or guarantee of future results. S&P Dow Jones Indices' only relationship to Public Mutual with respect to the Index is the licensing of the Index and certain trademarks, service marks and/or trade names of S&P Dow Jones Indices and/or its licensors. The Index is determined, composed and calculated by S&P Dow Jones Indices without regard to Public Mutual or the PeFEDF. S&P Dow Jones Indices has no obligation to take the needs of Public Mutual or the owners of PeFEDF into consideration in determining, composing or calculating the Index. S&P Dow Jones Indices is not responsible for and have not participated in the determination of the prices, and amount of PeFEDF or the timing of the issuance or sale of PeFEDF or in the determination or calculation of the equation by which PeFEDF is 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 PeFEDF. There is no assurance that investment products based on the Index will accurately track index 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 an index is not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security, nor is it considered to be investment advice.

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

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

5. ***Counterparty risk associated with OTC derivatives:*** The use of OTC 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 derivative position.

Specific Risks

1. ***Specific security risk:*** Prices of a particular security may fluctuate in response to the circumstances affecting individual companies. As such, adverse price movements of a particular security invested by the Fund may adversely affect the Fund's NAV and unit price.

2. ***Unlisted security risk:*** This risk relates to investments in securities which are not listed on a securities exchange, such as stocks of unlisted companies. Investment in unlisted 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 bonds or other forms of securitised debt, money market instruments and deposits. When interest rates rise, prices of bonds or other forms of securitised debt generally decline and this may lower the market value of the fund's investment in bonds or other forms of securitised debt. The reverse applies when interest rates fall. The returns of the Fund's investments in money market instruments and deposits move in tandem with interest rates. A decline in interest rates will lower the returns of the Fund's investments in money market instruments and deposits. For example, when interest rates fall, 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 securities or money market instruments and deposits which is dependent on the issuer's ability to make timely payments of interest or principal. In the event that the issuer of a security or money market instruments and deposits defaults in the payment of interest and/or principal, the value of the Fund may be adversely affected.

5. ***Currency risk:*** If the Fund invests in 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:*** 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. ***Risk associated with investments in warrants:*** The market price of warrants held by the Fund will depend on the current market price of the underlying security, the exercise price of the warrants and the time to expiration of the warrants. Such investments may experience time decay, and the erosion of value accelerates as the warrant approaches its expiry date. Any adverse movements in the market price of the 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 derivatives such as futures contracts, foreign exchange forward contracts and options.

Investments in 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 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/utilise the following:

i. Transferable securities;

ii. Unlisted shares;

iii. Deposits with licensed domestic and foreign financial institutions;

iv. Money market instruments;

v. Units or shares of other collective investment schemes; and

vi. 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 ordinary shares issued by any single issuer	≤ 10%
Value of investments in transferable securities and money market instruments issued by any single issuer (single issuer limit)	≤ 15% *Notes:* *(i) In determining the single issuer limit, the value of the Fund's investments in unlisted securities issued by the same issuer must be included in the calculation; and* *(ii) 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.*
Value of placement in deposits with any single financial institution	≤ 20% *Note: This limit does not apply to placements of deposits arising from:* *(i) Liquidation of investments prior to the termination or maturity of the Fund, where the placement of deposits with various financial institutions would not be in the best interests of unitholders; or* *(ii) Monies held for the settlement of redemption or other payment obligations, where the placement of deposits with various financial institutions would not be in the best interest of unitholders.*
Aggregate value of investments in, or exposure to, a single issuer (single issuer aggregate limit) through– (a) transferable securities; (b) money market instruments; (c) deposits; (d) underlying assets of derivatives; and (e) counterparty exposure arising from the use of OTC derivatives	≤ 25% *Notes:* *(i) In determining the single issuer aggregate limit, the value of the Fund's investments in unlisted securities issued by the same issuer must be included in the calculation; and* *(ii) 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) Investment Spread Limits (cont'd)

Investment (cont'd)	**Limits (% of Fund's NAV) (cont'd)**
Value of investments in: (a) units or shares of a collective investment scheme (b) units or shares of a listed collective investment scheme that invests in real estate	 ≤ 20% ≤ 15%
Value of investments in transferable securities and money market instruments issued by any group of companies (group limit)	≤ 20% *Note: In determining the group limit, the value of the Fund's investments in unlisted securities issued by the issuers within the same group of companies must be included in the calculation.*

(ii) Investment Concentration Limits

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

(iii) Exposure Limits

Investment	**Limits (% of Fund's NAV)**
The aggregate value of the Fund's investment in unlisted securities	≤ 15% *Note: Subject to a maximum limit of 10% of the Fund's NAV in a single issuer.*
Value of holdings in foreign investments	≤ 98%

(iii) Exposure Limits (cont'd)

Investment (cont'd)	**Limits (% of Fund's NAV) (cont'd)**
Global exposure from derivatives position* ** The global exposure from the derivatives and 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) absolute value of the exposure of each individual derivative not involved in netting or hedging arrangements;* *(ii) absolute value of the net exposure of each individual derivative after netting or hedging arrangements;* *(iii) the values of cash collateral received pursuant to the reduction of exposure to counterparties of OTC derivatives.*	≤ NAV of the Fund at all times. *Notes:* *(i) For OTC derivatives the maximum exposure of the Fund to the counterparty must not exceed 10% of the Fund's NAV;* *(ii) The counterparty of an OTC derivative must be a financial institution with a minimum long-term credit rating of investment grade (including gradation and subcategories); and* *(iii) 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.*

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 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 shares or 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 shares – fair valuations which are based on methods that are acceptable to the Manager and approved by the trustee.

Listed and unlisted bonds or other forms of securitised debt (including commercial papers) – for listed bonds or other forms of securitised debt, 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 bonds or other forms of securitised debt (including 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 bonds or other forms of securitised debt 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 bonds or other forms of securitised debt 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.

Money market instruments (excluding unrestricted investment accounts) – money market instruments which include negotiable instrument of deposits are valued at market yields based on the remaining days to maturity.

Unrestricted investment accounts which are deemed as money market instruments and 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 interest thereon for the relevant period.

Units or shares in other collective investment schemes – for unlisted collective investment schemes, valuation is based on last published repurchase price. For listed 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.

Foreign exchange forward contracts – all foreign exchange forward contracts are marked-to-market daily and valued at fair value using forward rate of the remaining tenure to maturity.

Futures contracts – all futures contracts are marked-to-market at the end of each trading day. Any gains or losses are immediately reflected upon marking to market.

Suspended 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 securities and 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 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.

2.1 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

Purchase of units through UTCs, IUTA and the Manager.

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.

Please refer to *page 20* for illustration on computation of sales charge.

Up to 3.75% of NAV per unit.

Redemption charge per unit

Please refer to *page 21* for illustration on computation of redemption charge.

Nil

Switching charges

Switch-out / (Exit) \ To Recipient Fund	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

Notes:

\# *Loaded units are units which have incurred a sales charge of 3% or more through investments in equity/mixed asset/balanced funds.*

\## *Partial-load units are units which have incurred a sales charge of less than 3% through investments in equity/mixed asset/balanced funds.*

* *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.*

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. This includes (without limitation) the manager's fee, trustee's fee, foreign custodian charges, auditor's fee, tax agent's fee, costs, fees and expenses in connection with any change in law, regulation or requirement by any governmental or regulatory authority, ministry, agency or department, including any fees as may be imposed by the SC in relation to the Fund 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**	1.60% 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 PeFEDF 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)	÷	**UIC (units)**	=	**NAV per unit (RM)**
352,625,000		1,410,500,000		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
SST rate	:	8%

Sales Charge Incurred	$= \frac{\text{Investment Amount}}{[1 + \text{Sales Charge (\%)}] + [\text{Sales Charge (\%)} \times \text{SST (\%)}]} \times \text{Sales Charge (\%)}$ $= \frac{\text{RM10,000}}{[(1 + 3.75\%) + (3.75\% \times 8\%)]} \times 3.75\%$	RM360.40

SST	= Sales Charge Incurred x SST (%) = RM360.40 x 8%	RM28.83

Net Investment Amount	Investment Amount	RM10,000	RM9,610.77
	Less: Sales Charge Incurred	(RM360.40)	
	Less: SST	(RM28.83)	

Units Credited to Your Account	$= \frac{\text{Net Investment Amount}}{\text{NAV per unit}}$ $= \frac{\text{RM9,610.77}}{\text{RM0.25000000}}$	38,443.08 units

Note: The above illustration is for illustrative purposes only and is based on the prevailing sales charge and applicable tax rates as at the date of this Prospectus. Any fees and charges payable by investors, where applicable, are subject to any taxes (including but not limited to SST) or other taxes, levies or duties that may be imposed by the Government of Malaysia from time to time. Accordingly, the actual amount of units allocated and/or the total amount payable by an investor may vary depending on the prevailing tax rate applicable at the time of the transaction.

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.

Redeeming Units of the Fund

Illustration:

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

Amount Redeemed	= Units redeemed x NAV per unit = 40,000 units x RM0.25000000	RM10,000
Redemption Charge Incurred	= Redemption charge (%) x NAV per unit x Units redeemed = 0% x RM0.25000000 x 40,000 units	Nil
Total Redemption Proceeds Received by You	= Amount redeemed – Redemption charge incurred = RM10,000 – RM0	RM10,000

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

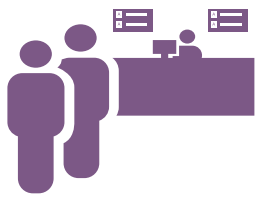
3.3 WHERE TO PURCHASE OR REDEEM UNITS OF THE FUND



Public Mutual Online (PMO)



UTCs and corporate representatives who are registered with FIMM



Public Mutual Customer Service Centres

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

Please refer to *pages 40 to 44* for the Directory of Public Mutual Branch Offices and Customer Service Centres, Agency Office 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.
- <u>If you are not an existing PMO subscriber:</u>
  - 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 PMO PLUS mobile application.

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).

** 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 - Your Name & MyKad/Passport Number".***
Corporate Investors	***"Public Mutual Berhad - Your Company's Name & Registration Number".***

Please write down your name, MyKad/passport number/company name, 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.
- You may switch your units between PeFEDF 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 PeFEDF 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.

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 ensure that the Fund meets its investment objective of providing regular income to its unitholders.

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 Moneys by the Manager in accordance with the provisions of the Unclaimed Moneys 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

PeFEDF 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/pmb/Our-Profile for more information pertaining to the profile of the Manager and https://www.publicmutual.com.my/pmb/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/pmb/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, to 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.

The Fund is governed by a master deed dated 28 January 1999, fifth supplemental master deed dated 23 October 2000, ninth supplemental deed dated 22 April 2003, twenty first supplemental master deed dated 6 November 2006, twenty sixth supplemental master deed dated 27 June 2007, thirty sixth supplemental master deed dated 17 March 2008, thirty seventh supplemental master deed dated 11 April 2008, seventy second supplemental master deed dated 28 November 2014, eighty third supplemental master deed dated 22 November 2016, eighty eighth supplemental master deed dated 23 November 2017, one hundredth thirteenth supplemental master deed dated 2 September 2022, one hundredth fifteenth supplemental master deed dated 17 September 2025 and one hundredth sixteenth supplemental master deed dated 27 July 2026.

6.1 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.

6.2 MAXIMUM FEES AND CHARGES PERMITTED BY THE DEED

Management fee
1.8% per annum of the NAV.

Trustee fee
Not exceeding 0.08% per annum, calculated daily on the NAV, but subject to any minimum fee (inclusive of the custodian fee) of RM18,000 per annum.

Sales charge
7% of the NAV per unit.

Redemption charge
3% of the NAV per unit.

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.

6.3 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 (without limitation) 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;
(ix) any other expenses properly incurred by the trustee in the performance of its duties and responsibilities; and
(x) costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority, ministry, agency or department, including any fees as may be imposed by the SC in relation to the Fund.

6.4 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.

6.5 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.

6.6 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.

6.7 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.

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

16 October 2026

Dear Sirs

Re: Taxation of the Fund and Unit Holders for inclusion in the Replacement Prospectus of Public e-Far-East Dividend Fund ("the Fund")

This letter has been prepared for inclusion in the Replacement Prospectus of 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").

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. 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 Fund.

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.

Nevertheless, pursuant to Income Tax (Unit Trust in Relation to Income Received in Malaysia from Outside Malaysia) (Exemption) Order 2024, the Minister of Finance exempts a qualifying unit trust[1] from the payment of income tax in respect of the gross income on all sources of foreign income under Section 4 of the Act which is received in Malaysia in the basis period for a YA, subject to meeting the prescribed conditions. The exemption is granted for foreign source income received in Malaysia from 1 January 2024 to 31 December 2026. Subsequently, under the Income Tax (Unit Trust in Relation to Income Received in Malaysia from Outside Malaysia) (Exemption) Order 2024 (Amendment) Order 2026, the exemption period has been extended to 31 December 2030 with effect from 1 January 2027.

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[1] "Qualifying unit trust" refers to a unit trust resident in Malaysia managed by a management company (as defined below) and has foreign sourced income received in Malaysia but excludes a unit trust which is approved by the Securities Commission as Real Estate Investment Trust ("REIT") or Property Trust Fund ("PTF") listed on Bursa Malaysia.

"Management company" means a company licensed by the Securities Commission by which or on whose behalf a unit of a qualifying unit trust either has been or is proposed to be issued, or offered for subscription or purchase; or in respect of which an invitation to subscribe or purchase has been made, and includes any person for the time being exercising the functions of the management company ("Licensed Management Company").

The above tax exemption is subject to the compliance with the conditions imposed by the Minister of Finance in the relevant basis period as specified in the guidelines to be issued by the Director General of Inland Revenue, which shall include the following conditions:-

a. The foreign sourced income of the qualifying unit trust has been subjected to tax of a similar character to income tax under the law in its originating country. Additionally, the highest tax rate in that country is at least 15%; or

b. The Fund management company[1] of the qualifying unit trust shall employ an adequate number of employees in Malaysia and incur an adequate amount of operating expenditure in Malaysia.

Gains from the realisation of investments by the Fund prior to 1 January 2024 shall not be treated as an income of the Fund and is exempted from income tax pursuant to Section 61(1)(b) of the Act. However, such gains may be subject to tax in the country from which it is derived.

Based on the Finance (No. 2) Act 2023 and Income Tax (Amendment) Act 2024, gains or profits from the realisation of investments will be treated as an income of the Fund under the newly introduced Section 4(aa) of the Act as gains or profit from the disposal of capital asset and subject to tax in Malaysia (i.e. Capital Gains Tax ["CGT"]), effective from 1 January 2024. CGT will be imposed on the Fund on gains arising from the disposal of the following capital assets:-

(a) shares in companies incorporated in Malaysia not listed on the stock exchange (including any rights or interest thereof) ("Malaysian shares")[2];

(b) 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) moveable or immovable properties situated outside Malaysia including any rights or interests thereof ("foreign capital assets"), when the gains are received in Malaysia[3].

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

Before 1 January 2026, the term "disposal" meant to sell, convey, transfer, assign, settle or alienate whether by agreement or by force of law and includes a reduction of share capital and purchase by a company of its own shares. Finance Act 2025 subsequently redefines the term "disposal", which takes effect from 1 January 2026, as follows:-

a) To sell, convey, transfer, assign, settle or alienate whether by an agreement or any written law;
b) An extinguishment of any rights due to the dissolution or winding up of a company; or
c) A reduction of share capital, conversion of shares, redemption of shares, purchase by a company of its own shares or cessation of ownership of the capital asset.

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[2] The Income Tax (Unit Trust) (Exemption) Order 2024 has been gazetted to provide a CGT exemption on gains or profits to a qualifying unit trust from the disposal of unlisted shares of a company incorporated in Malaysia and disposal of Section 15C shares made from 1 January 2024 to 31 December 2028. However, the exemptions does 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 gains from the realisation of the foreign capital assets when remitted into Malaysia, would be exempted from CGT if the qualifying unit trust complies with the conditions imposed under the Income Tax (Unit Trust in Relation to Income Received in Malaysia from Outside Malaysia) (Exemption) Order 2024. The exemption has been extended until 30 December 2030 pursuant to the Income Tax (Unit Trust in Relation to Income Received in Malaysia from Outside Malaysia) (Exemption) Order 2024 (Amendment) Order 2026, effective from 1 January 2027.

Where the CGT exemption does not apply to the Fund, the following CGT tax rate may be applied for any disposal of Malaysian shares and Section 15C shares that are acquired prior to 1 January 2024:-

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

Whilst 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 investments received in Malaysia will be subject to CGT based on the prevailing income tax rate of the Fund (i.e., 24%) where the CGT exemption does not apply. The relevant DTAs need to be studied to ascertain whether any relief or exemption is available over such gains.

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.

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 2013[4]; or
- any development financial institution regulated under the Development Financial Institutions Act 2002[4]; 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 Authority[5].

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.

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[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.

RPGT

Gains on disposal of investments by the Fund were 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 subject to RPGT.

Sales Tax and Service Tax

Under the Sales Tax Act 2018 and its subsidiary legislation, the sales tax rate for taxable goods is 5% or 10%, as well as at specific rates as specified in the Sales Tax (Rate of Tax) Order 2025 and its amendment Orders. Non-taxable goods are exempted from sales tax. Under the Service Tax Act 2018 and its subsidiary legislation, the service tax rate for taxable services is at 8% except for the following taxable services which are subject to 6%:

- food and beverage;
- telecommunication services;
- parking services;
- logistics services;
- rental or leasing services[6];
- construction works services;
- private healthcare, traditional and complementary medicine and allied health services; and
- education services.

Credit card and charge card are subject to Service Tax at RM25.

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 its amendment Regulations, 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 the Fund earns any other income which involves the provision of services, the services would need to be assessed to determine if it falls under taxable services.

Separately, certain expenses incurred by the Fund such as legal fees and consultancy fees may be subject to service tax at 8%. In addition, fees, commissions, or similar payments charged for the provision of financial services by any person including those who are regulated by the Central Bank of Malaysia, the Securities Commission Malaysia or the Labuan Financial Services Authority (and this includes management services provided by any person who is licensed or registered with the Securities Commission Malaysia for carrying out the regulated activity of fund management under the Capital Markets and Services Act 2007), are also subject to service tax at 8%. The effective date for the imposition of service tax on such financial services is implemented under two phases[7]. 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.

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[6] Rental and leasing services were initially subject to service tax at 8% but effective 1 January 2026, the Royal Malaysian Customs Department has given a 2% service tax exemption on rental and leasing services, where the service tax rate for rental and leasing services is effectively 6%.

[7] The Service Tax Policy 1/2025 and its amendments as well as the Guide on Financial Services (as at 24 October 2025) provides that effective 1 July 2025, only the financial services set out in Appendix A of the documents are subject to Service Tax at 8%. The list of financial services listed in Appendix A refers to conventional and Islamic banking services covering treasury services and corporate banking advisory services or similar services, investment banking services covering debt markets, equity markets and similar products, Bursa Malaysia services as well as any services which were subject to service tax before 1 July 2025. From 1 October 2025 onwards, the provision of all financial services that are charged for fees, commissions or similar payments are subject to Service Tax at 8%, unless they are specifically exempted or excluded.

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 subjected to CGT 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 current corporate tax rate of 24% 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. Based on the Finance Act 2023, effective from YA 2023, corporate unit holders resident and incorporated in Malaysia with paid-up capital in the form of ordinary shares of RM2.5 million and below at the beginning of the basis period for a YA will be subject to concessionary tax rates as follows:

Chargeable Income	Tax Rate
up to RM150,000	15%[8]
RM150,001 up to RM600,000	17%[8]
in excess of RM600,000	24%

The above concessionary income tax rate is given only to corporate unit holders having gross business income for the relevant YA of not more than RM50 million, in addition to the share capital requirement. However, the above concessionary income tax rate 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 at the beginning of the basis period for a YA, 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.

In addition to the above, the concessionary 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 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.

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[8] Under the Budget 2027 proposal, the applicable rate will be reduced by 1%, effective from YA 2027.

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 and its amendment Regulations are subject to service tax, which exclude investment income or gains.

However, certain expenses incurred by the unit holders such as legal fees and consultancy fees may be subject to service tax at 8%. In addition, fees, commissions, or similar payments charged for the provision of financial services by any person including those who are regulated by the Central Bank of Malaysia, the Securities Commission Malaysia or the Labuan Financial Services Authority (and this includes management services provided by any person who is licensed or registered with the Securities Commission Malaysia for carrying out the regulated activity of fund management under the Capital Markets and Services Act 2007), are also subject to service tax at 8%. The effective date for the imposition of service tax on such financial services is implemented under two phases[7].

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, Lebuh 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

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

East Malaysia

Sabah

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

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

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

Sarawak

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

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

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

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.

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

MANAGER OF THE FUND
Public Mutual Berhad 197501001842 (23419-A)
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HEAD OFFICE
Menara Public Bank 2,
No. 78, Jalan Raja Chulan,
50200 Kuala Lumpur.

CUSTOMER SERVICE HOTLINE
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WEBSITE
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