

First Supplementary Prospectus of Eastspring Investments Islamic China A-Shares Fund

This First Supplementary Prospectus of Eastspring Investments Islamic China A-Shares Fund dated 1 August 2022 (“First Supplementary Prospectus”) must be read together with the First Prospectus of Eastspring Investments Islamic China A-Shares Fund dated 13 September 2021 (“First Prospectus”).

The Eastspring Investments Islamic China A-Shares Fund (“Fund”) is constituted on 13 September 2021.

The Securities Commission Malaysia has authorised the Fund, and a copy of this First Supplementary Prospectus dated 1 August 2022 and the First Prospectus dated 13 September 2021 (collectively, the “Prospectuses”) have been registered with the Securities Commission Malaysia, who takes no responsibility for their contents. The authorisation of the Fund, and registration of the Prospectuses, should not be taken to indicate that the Securities Commission Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made, opinion expressed or reports contained in the Prospectuses.

MANAGER

Eastspring Investments Berhad
200001028634 (531241-U)

TRUSTEE

Deutsche Trustees Malaysia Berhad
200701005591 (763590-H)

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS FIRST SUPPLEMENTARY PROSPECTUS AND THE FIRST PROSPECTUS DATED 13 SEPTEMBER 2021. 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 PAGES 6-8 OF THE FIRST PROSPECTUS DATED 13 SEPTEMBER 2021 AND ON PAGES 7-8 OF THE FIRST SUPPLEMENTARY PROSPECTUS DATED 1 AUGUST 2022.

RESPONSIBILITY STATEMENT

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

STATEMENTS OF DISCLAIMER

The Securities Commission Malaysia has authorised the Fund and a copy of the Prospectuses have been registered with the Securities Commission Malaysia.

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

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

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

ADDITIONAL STATEMENTS

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

Eastspring Investments Islamic China A-Shares Fund has been certified as Shariah-compliant by the Shariah adviser appointed for the Fund.

Eastspring Investments Islamic China A-Shares Fund will not be offered for sale in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or to any U.S. Person(s). Accordingly, investors may be required to certify that they are not U.S. Person(s) before making an investment in this Fund.

THIS FIRST SUPPLEMENTARY PROSPECTUS DATED 1 AUGUST 2022 IS TO BE READ IN CONJUNCTION WITH THE FIRST PROSPECTUS DATED 13 SEPTEMBER 2021

Unless otherwise provided in this First Supplementary Prospectus, all the capitalised terms used herein shall have the same meanings ascribed to them in the First Prospectus dated 13 September 2021 (“First Prospectus”).

This First Supplementary Prospectus is issued to inform investors that:

- The term(s) “interim” and “Islamic fund” have been replaced with “semi-annual” and “Islamic unit trust fund” respectively.
- The definitions of “*baitulmal*” and “transferable securities” have been inserted under “Chapter 1 – Definitions”.
- The definition of “Deed” and “SC” under “Chapter 1 – Definitions” have been amended.
- The information of the Manager, the Trustee and the Shariah Adviser under “Chapter 2 – Corporate Directory” has been amended.
- The 5th bullet point in relation to the risk management strategies under “Chapter 3 – Fund Information” has been amended.
- The 6th bullet point in relation to the risk management strategies under “Chapter 3 – Fund Information” has been inserted.
- The information in relation to investment restrictions and limits under “Chapter 3 – Fund Information” has been amended.
- The information in relation to the Deed under “Chapter 3 – Fund Information” has been amended.
- The information in relation to the suspension of repurchase request risk under “Risk Factors – General Risks of Investing in Unit Trust Fund” has been inserted.
- The information in relation to the Shariah status reclassification risk under “Chapter 3 – Fund Information” has been amended.
- The information in relation to Shariah investment guidelines, cleansing process and zakat for the Fund under “Chapter 3 – Fund Information” has been amended.
- The information in relation to the other expenses related to the Fund under “Chapter 4 – Fees, Charges And Expenses” has been amended.
- The information in relation to rebates and soft commissions under “Chapter 4 – Fees, Charges And Expenses” has been amended.
- The information in relation to the item (i) of how to purchase Units under “Chapter 5 – Transaction Information” has been amended.
- The information in relation to the 1st paragraph of how to redeem Units under “Chapter 5 – Transaction Information” has been amended.
- With effect from 31 August 2022, the settlement period for the redemption request will be revised to seven (7) Business Days. Hence, the information in relation to the 5th paragraph of how to redeem Units under “Chapter 5 – Transaction Information” has been amended to reflect the changes.

THIS FIRST SUPPLEMENTARY PROSPECTUS DATED 1 AUGUST 2022 IS TO BE READ IN CONJUNCTION WITH THE FIRST PROSPECTUS DATED 13 SEPTEMBER 2021

- With effect from 31 August 2022, the cooling-off right and the period to refund the cooling-off proceeds will be revised. Hence, the information in relation to the 3rd, 4th, 5th and 9th paragraphs of the cooling-off period & cooling-off right under “Chapter 5 – Transaction Information” has been amended.
- The information in relation to the 1st paragraph of switching between funds under “Chapter 5 – Transaction Information” has been amended.
- The information in relation to the suspension of sale and redemption of Units under “Chapter 5 – Transaction Information” has been amended.
- The information in relation to the 2nd paragraph of the cross trade policy under “Chapter 6 – The Management And The Administration Of The Fund” has been amended.
- Investors may refer to our website <https://www.eastspring.com/my/about-us/management> for more information about our board of directors.
- The information in relation to the investment committee under “Chapter 6 – The Management And The Administration Of The Fund” has been deleted.
- The information in relation to the other information under “Chapter 6 – The Management And The Administration Of The Fund” has been amended.
- The information in relation to the Shariah Adviser under “Chapter 7 – The Shariah Adviser” has been amended.
- The information in relation to the experience in Trustee business under “Chapter 8 – The Trustee” has been amended.
- The information in relation to the Trustee’s disclosure of material litigation under “Chapter 8 – The Trustee” has been amended.
- The information in relation to the items (d) and (m) of the permitted expenses payable by the Fund under “Chapter 9 – Salient Terms Of The Deed” have been amended.
- The information in relation to the procedures and processes for termination of the Fund under “Chapter 9 – Salient Terms Of The Deed” have been inserted.
- The information in relation to the provisions governing Unit Holders’ meeting under “Chapter 9 – Salient Terms Of The Deed” have been amended.
- The information in relation to the suspension of dealing in Units under “Chapter 9 – Salient Terms Of The Deed” have been amended.
- The information in relation to the 4th paragraph under “Chapter 11 – Related Party Transactions And Conflict Of Interest” has been amended.
- The information in relation to the 5th paragraph under “Chapter 11 – Related Party Transactions and Conflict Of Interest” has been deleted.
- The information in relation to Deutsche Trustees Malaysia Berhad under “Chapter 11 – Related Party Transactions And Conflict Of Interest” has been amended.
- The taxation adviser’s letter on taxation of the Fund and Unit Holders has been revised.

THIS FIRST SUPPLEMENTARY PROSPECTUS DATED 1 AUGUST 2022 IS TO BE READ IN CONJUNCTION WITH THE FIRST PROSPECTUS DATED 13 SEPTEMBER 2021

1. The term "**interim**" wherever it appears in the First Prospectus has been replaced with "**semi-annual**".
2. The term "**Islamic fund**" wherever it appears in the First Prospectus has been replaced with "**Islamic unit trust fund**".

3. Amendments to pages 1 – 2 of the First Prospectus – “Definitions”

- (i) The definition of “Deed” is hereby deleted and replaced with the following:

“**Deed**” means the deed dated 23 July 2021 as amended via the first supplemental deed dated 6 April 2022 entered into between the Manager and the Trustee in respect of the Fund as may be modified by a supplemental deed from time to time;

- (ii) The definition of “*baitulmal*” is hereby inserted as follows:

“***baitulmal***” means the treasury of a State Islamic Religious Council;

- (iii) The definition of “SC” is hereby deleted and replaced with the following:

“**SC**” means the Securities Commission Malaysia;

- (iv) The definition of “transferable securities” is hereby inserted as follows:

“**transferable securities**” refers to:

- (a) shares or securities equivalent to shares;
- (b) bonds or other forms of securitised debt; and
- (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;

4. Amendments to page 3 of the First Prospectus – “Corporate Directory”

The information of the Manager, the Trustee and the Shariah Adviser are hereby deleted and replaced with the following:

MANAGER

NAME	:	EASTSPRING INVESTMENTS BERHAD
REGISTRATION NO.	:	200001028634 (531241-U)
REGISTERED OFFICE	:	Level 25, Menara Hong Leong No. 6, Jalan Damanlela Bukit Damansara 50490 Kuala Lumpur
TELEPHONE NO.	:	603-2694 9999
BUSINESS OFFICE	:	Level 22, Menara Prudential Persiaran TRX Barat 55188 Tun Razak Exchange Kuala Lumpur
TELEPHONE NO.	:	603-2778 3888
FAX NO.	:	603-2789 7220
EMAIL	:	cs.my@eastspring.com
WEBSITE	:	www.eastspring.com/my

TRUSTEE

NAME : **DEUTSCHE TRUSTEES MALAYSIA BERHAD**
REGISTRATION NO. : 200701005591 (763590-H)
REGISTERED OFFICE & BUSINESS OFFICE : Level 20, Menara IMC
No. 8, Jalan Sultan Ismail
50250 Kuala Lumpur
TELEPHONE NO. : 603-2053 7522
FAX NO. : 603-2053 7526
EMAIL : dtmb.rtm@db.com

SHARIAH ADVISER

NAME : **BIMB SECURITIES SDN BHD**
REGISTRATION NO. : 199401004484 (290163-X)
REGISTERED OFFICE : 32nd Floor, Menara Bank Islam
No. 22 Jalan Perak
50450 Kuala Lumpur
BUSINESS OFFICE : Level 32, Menara Multi Purpose
Capital Square
No.8, Jalan Munshi Abdullah
50100 Kuala Lumpur
TELEPHONE NO. : 603-2613 1600
FAX NO. : 603-2613 1799
EMAIL : shariah@bimbsec.com.my
WEBSITE : www.bimbsec.com.my

5. Amendments to page 5 of the First Prospectus – “Fund Information - Risk Management Strategies”

(i) The information in relation to the 5th bullet is hereby deleted and replaced with the following:

5th bullet:

- escalating and reporting investment matters to the committee undertaking the oversight function of the Fund, senior management team, risk management committee and board of directors; and

(ii) A new 6th bullet is hereby inserted under risk management strategies as follows:

6th bullet:

- practising prudent liquidity management to ensure that the Fund maintains reasonable levels of liquidity to meet redemption request. We have established liquidity risk management policies to enable us to identify, monitor and manage the liquidity risk of the Fund in order to meet the redemption requests from the Unit Holders with minimal impact to the Fund as well as safeguarding the interests of the remaining Unit Holders. Such policies have taken into account, amongst others, the asset class of the Fund and the redemption policy of the Fund. To manage the liquidity risk, we have put in place the following procedures:
 - The Fund may hold a maximum of 30% of its NAV in liquid assets. This will allow the Fund to have sufficient buffer to meet the Unit Holders’ redemption request.

- Regular review by the designated fund manager on the Fund's investment portfolio including its liquidity profile.
- Monitoring of the Fund's net flows against repurchase requests during normal and adverse market conditions are performed as pre-emptive measures in tracking the Fund's liquidity status to ensure there is sufficient cash holdings in addressing any liquidity concerns, which would mitigate potential risks in relation to meeting Unit Holders' redemption requests.
- Suspension of repurchase requests from the Unit Holders under exceptional circumstances where the market value or fair value of a material portion of the Fund's assets cannot be determined. During the suspension period, the repurchase requests from the Unit Holders will not be accepted and such repurchase requests will be dealt on the next Business Day once the suspension is lifted. That said, the action to suspend repurchase requests from the Unit Holders shall be exercised only as a last resort by the Manager.

6. Amendments to pages 5 - 6 of the First Prospectus – “Fund Information - Investment Restrictions And Limits”

The information in relation to the investment restrictions and limits is hereby deleted and replaced with the following:

- (a) The value of the Fund's investments in unlisted Shariah-compliant securities must not exceed 10% of the Fund's NAV. This limit does not apply to Shariah-compliant securities that are:
 - Shariah-compliant equities not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing and quotation, and are offered directly to the Fund by the issuer;
- (b) The value of the Fund's investments in Shariah-compliant ordinary shares issued by any single issuer must not exceed 10% of the Fund's NAV;
- (c) The value of the Fund's investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV (“single issuer limit”). In determining the single issuer limit, the value of the Fund's investments in instruments in paragraph (a) issued by the same issuer will be included in the calculation;
- (d) The value of the Fund's placement in Islamic deposits with any single financial institution must not exceed 20% of the Fund's NAV. However, the single financial institution limit does not apply to placement of Islamic deposits arising from:
 - (i) subscription monies received prior to the commencement of investment by the Fund; or
 - (ii) liquidation of investments prior to the termination of the Fund, where the placement of Islamic deposits with various financial institutions would not be in the best interests of Unit Holders; or
 - (iii) monies held for the settlement of redemption or other payment obligations, where the placement of Islamic deposits with various financial institutions would not be in the best interests of Unit Holders;
- (e) The aggregate value of the Fund's investments in, or exposure to a single issuer through Shariah-compliant transferable securities, Islamic money market instruments and Islamic deposits must not exceed 25% of the Fund's NAV (“single issuer aggregate limit”). In determining the single issuer aggregate limit, the value of the Fund's investments in instruments in paragraph (a) issued by the same issuer will be included in the calculation;
- (f) The value of the Fund's investments in units or shares of an Islamic collective investment scheme must not exceed 20% of the Fund's NAV provided that the Islamic collective investment scheme complies with the requirements of the Guidelines;

- (g) The value of the Fund's investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV ("group limit"). In determining the group limit, the value of the Fund's investments in instruments in paragraph (a) issued by the issuer within the same group of companies will be included in the calculation ;
- (h) The Fund's investments in Shariah-compliant shares or Shariah-compliant securities equivalent to shares must not exceed 10% of the Shariah-compliant shares or Shariah-compliant securities equivalent to shares, as the case may be, issued by a single issuer;
- (i) The Fund's investments in Islamic money market instruments must not exceed 10% of the instruments issued by any single issuer. This limit does not apply to Islamic money market instruments that do not have a pre-determined issue size;
- (j) The Fund's investments in Islamic collective investment schemes must not exceed 25% of the units or shares in the Islamic collective investment scheme; and
- (k) There will be no restriction or limits for Shariah-compliant securities or Shariah-compliant instruments issued or guaranteed by the Malaysian government or BNM.

The investment restrictions and limits mentioned herein must be complied with at all times based on the most up-to-date value of the Fund's investments. The Manager will notify the SC within seven (7) Business Days of any breach of investment limits and restrictions with the steps taken to rectify and prevent such breach from recurring. However, any breach as a result of any appreciation or depreciation in the value of the Fund's investments, repurchase of Units or payment made out of the Fund, change in capital of a corporation in which the Fund has invested in or downgrade in or cessation of a credit rating, need not be reported to the SC and must be rectified as soon as practicable within three (3) months from the date of the breach. The three (3) months period may be extended if it is in the best interests of Unit Holders and the Trustee's consent is obtained. Such extension will be subject to a monthly review by the Trustee.

7. Amendment to page 6 of the First Prospectus – “Fund Information – Deed”

The information in relation to the Deed is hereby deleted and replaced with the following:

The deed dated 23 July 2021 and the first supplemental deed dated 6 April 2022.

8. Amendments to page 6 of the First Prospectus – “Risk Factors – General Risks of Investing in Unit Trust Fund”

The information in relation to the suspension of repurchase request risk is hereby inserted:

Suspension of repurchase request risk

Having considered the best interests of Unit Holders, the repurchase requests by the Unit Holders may be subject to suspension due to exceptional circumstances, where the market value or fair value of a material portion of the fund's assets cannot be determined. In such case, Unit Holders will not be able to redeem their Units and will be compelled to remain invested in the Fund for a longer period of time than original timeline. Hence, their investments will continue to be subject to the risks inherent to the Fund.

9. Amendments to pages 7- 8 of the First Prospectus - “Fund Information – Specific Risks When Investing In The Fund”

The information in relation to the Shariah status reclassification risk is hereby deleted and replaced with the following:

Shariah status reclassification risk

a) Shariah-compliant equity securities

This risk refers to the risk that the currently held Shariah-compliant equity securities in the Fund may be reclassified as Shariah non-compliant in the periodic review of the securities by the Shariah Adviser or the Shariah Supervisory Boards of relevant Islamic indices. If this occurs, the External Investment Manager will take the necessary steps to dispose of such securities.

Opportunity loss could occur due to the restriction on the Fund to retain the excess capital gains derived from the disposal of the reclassified Shariah non-compliant securities. In such an event, the Fund is required:-

- (i) to dispose of such securities with immediate effect or within one (1) calendar month if the value of the securities exceeds or is equal to the investment cost on the effective date of review (“Review”) by the Shariah Adviser or the Shariah Supervisory Boards of relevant Islamic indices. The Fund is allowed to keep dividends received and capital gains from the disposal of the securities up to the effective date of Review. However, any dividends received and excess capital gains from the disposal of the Shariah non-compliant securities after the effective date of Review should be channelled to *baitulmal* and/or charitable bodies approved by the Shariah Adviser;
- (ii) to hold such securities if the value of the said securities is below the investment cost on the effective date of Review until the total subsequent dividends received (if any) and the market price of the securities is equal to the cost of investment at which time disposal has to take place within one (1) calendar month, excess capital gains (if any) from the disposal of the securities should be channelled to *baitulmal* and/or charitable bodies approved by the Shariah Adviser; or
- (iii) to dispose of such securities at a price lower than the investment cost which will result in a decrease in the Fund’s value.

b) Islamic money market instruments or Islamic deposits or Islamic collective investment schemes

This risk refers to the risk of a possibility that the currently held Islamic money market instruments or Islamic deposits or Islamic collective investment schemes invested by the Fund may be declared as Shariah non-compliant by the relevant authority or the Shariah Adviser. If this occurs, the External Investment Manager will take the necessary steps to dispose of or withdraw such money market instruments or deposits or collective investment schemes.

Note: Please refer to cleansing process for the Fund for details

10. Amendments to pages 8 - 9 of the First Prospectus – “Fund Information – Shariah Investment Guidelines, Cleansing Process and Zakat For The Fund”

The information in relation to this section is hereby deleted and replaced with the following:

1. Shariah Investment Guidelines

The following guidelines are adopted by the Shariah Adviser in determining the Shariah status of investments of the Fund:

- The Fund must at all times and all stages of its operation comply with Shariah principles as resolved by the SAC of the SC or in cases where no specific rulings are made by the SAC of

the SC, the decisions of the Shariah Adviser or the Shariah Supervisory Boards of relevant Islamic indices.

- The Fund must be raised and operated by the Manager, and finally redeemed by the investor on the basis of contracts which are acceptable in Shariah. The banking facilities and short-term money market instruments used for the Fund have to be Shariah-compliant. Similarly, all other investment instruments including securities, money market instruments, etc. must be Shariah-compliant.
- For Islamic money market instruments and Islamic deposits, they shall be based on the data readily available on BNM website and the financial institutions' websites.
- For investment in foreign equities, the Fund is only allowed to invest in equities which are on the approved list of DJIM China A 100 Index and DJIM Greater China Index or other approved lists by the Shariah Adviser. In the event of reclassification of foreign Shariah-compliant equities to be Shariah non-compliant, the Fund is to abide by the rules as laid down by the SAC of the SC and by this Shariah Investment Guidelines. In the event that the Fund wishes to invest in foreign equities not covered by DJIM China A 100 Index and DJIM Greater China Index or other approved lists by the Shariah Adviser, the External Investment Manager must submit to the Shariah Adviser the latest information pertaining to the issuer's business activities, its complete financial statements and other related information to enable the Shariah Adviser to carry out the Shariah screening. The Shariah Adviser applies the screening methodology of the SAC of the SC in its Shariah screening.
- For investments in unlisted Shariah-compliant equities, the Shariah Adviser also applies the screening methodology of the SAC of the SC in its Shariah screening. As such, the Manager must submit to the Shariah Adviser the latest information pertaining to the issuer's business activities, its complete financial statements and other related information to enable the Shariah Adviser to carry out the Shariah screening.
- For investments in Islamic collective investment schemes, the Manager must submit to the Shariah Adviser all pertinent information including the prospectuses, its structures, investment avenues, Shariah investment guidelines, Shariah contracts and Shariah pronouncements by the relevant Shariah advisers advising the Islamic collective investment schemes, for the Shariah Adviser to confirm the Shariah status of the said Islamic collective investment schemes.
- The decision of the Shariah Adviser shall be final.
- To facilitate the purchase and sale of foreign equities, there may be a need to have cash placement in a conventional bank account outside Malaysia. In such circumstances, the conventional account should be non-interest bearing and the sole purpose is only to facilitate purchase and sale of foreign securities.

1. Cleansing process for the Fund

(a) Wrong Investment

(i) Investment in Shariah non-compliant equity securities

This refers to Shariah non-compliant investment made by the External Investment Manager. The said investment shall be disposed of/withdrawn with immediate effect, if possible, or otherwise within one (1) calendar month of knowing the status of the investment. In the event that the investment resulted in any gain in the form of capital gain

or dividend before or after the disposal of the instrument, it has to be channeled to *baitulmal* and/or charitable bodies approved by the Shariah Adviser. The Shariah Adviser advises that this cleansing process (i.e. channeling of income from wrongful investment to *baitulmal* and/or charitable bodies approved by the Shariah Adviser) shall be carried out within two (2) calendar months from the said disposal/withdrawal date. If the disposal of the investment resulted in losses to the Fund, the losses are to be borne by the Manager.

(ii) Investment in other Shariah non-compliant instruments (i.e. money market instruments or deposits or collective investment schemes)

The said investment shall be disposed of or withdrawn with immediate effect if possible; or otherwise within one (1) calendar month of knowing the status of the investment. In the event that the investment resulted in Shariah non-compliant income, it has to be channeled to *baitulmal* and/or charitable bodies approved by the Shariah Adviser. The Shariah Adviser advises that this cleansing process (i.e. channeling of income from wrongful investment to *baitulmal* and/or charitable bodies approved by the Shariah Adviser) shall be carried out within two (2) calendar months from the said disposal or withdrawal date. If the disposal of the investment resulted in losses to the Fund, the losses are to be borne by the Manager.

(b) Reclassification of Shariah Status of the Fund's Investment

(i) Equity securities

Reclassification of Shariah status refers to securities which were earlier classified as Shariah-compliant securities but due to failure to meet the set benchmark criteria, are subsequently reclassified as Shariah non-compliant by the Shariah Adviser or the Shariah Supervisory Boards of relevant Islamic indices. If on the reclassification effective date, the value of the securities held exceeds or is equal to the investment cost, the Fund which holds such Shariah non-compliant securities must liquidate them. To determine the time frame to liquidate such securities, the Shariah Adviser advises that such securities should be disposed of within one (1) calendar month of reclassification.

Any dividends received up to the reclassification effective date and capital gains arising from the disposal of the said reclassified Shariah non-compliant securities made with respect to the closing price on the reclassification effective date can be kept by the Fund. However, any dividends received and excess capital gains derived from the disposal after the reclassification effective date at a market price that is higher than the closing price on the reclassification effective date shall be channeled to *baitulmal* and/or charitable bodies approved by the Shariah Adviser. The Shariah Adviser advises that this cleansing process should be carried out within two (2) calendar months from the above disposal date.

The Fund is allowed to hold the Shariah non-compliant securities if the market price of the said securities is below the investment cost. It is also permissible for the Fund to keep the dividends received during the holding period until such time when the total amount of the dividends received and the market value of the Shariah non-compliant securities held equal the investment cost. At this stage, the Fund is advised to dispose of their holdings. In addition, during the holding period, the Fund is allowed to subscribe to:

- any issue of new securities by a company whose Shariah non-compliant securities are held by the Fund e.g. rights issues, bonus issues, special issues and warrants

[excluding securities whose nature is Shariah non-compliant e.g. irredeemable convertible unsecured loan stock (ICULS)]; and

- securities of other companies offered by the company whose Shariah non-compliant securities are held by the Fund,

on conditions that the Fund expedites the disposal of the Shariah non-compliant securities. For securities of other companies [as stated in the second bullet above], they must be Shariah-compliant securities.

(ii) Money market instruments or deposits or collective investment schemes

This refers to the instruments which were earlier classified as Islamic money market instruments or Islamic deposits or Islamic collective investment schemes but due to certain factors such as changes in the issuers' business direction and policy or failure to carry out proper Shariah contracts' transactions, which render the instruments Shariah non-compliant by the relevant authority or the Shariah Adviser. If this occurs, the Manager will take the necessary steps to dispose of or withdraw such money market instruments or deposits or collective investment schemes.

If on the reclassification effective date, the value of the Shariah non-compliant instruments held exceeds or is equal to the investment cost, the Fund which holds such Shariah non-compliant instruments must liquidate them. To determine the time frame to liquidate such instruments, the Shariah Adviser advises that such reclassified Shariah non-compliant instruments should be disposed of within one (1) calendar month of reclassification.

Any income received up to the reclassification effective date and capital gains arising from the disposal of the said reclassified Shariah non-compliant instruments made on the reclassification effective date can be kept by the Fund.

However, any income received and excess capital gain derived from the disposal after the reclassification effective date at a price that is higher than the price on the reclassification effective date shall be channeled to *baitulmal* and/or charitable bodies approved by the Shariah Adviser. The Shariah Adviser advises that this cleansing process should be carried out within two (2) calendar months from the above disposal date.

The Shariah Adviser confirms that the investment portfolio of the Fund comprises instruments which have been classified as Shariah-compliant by the SAC of the SC, and where applicable by the SAC of BNM or by the Shariah Supervisory Boards of relevant Islamic indices. As for the instruments which have not been classified as Shariah-compliant by the SAC of the SC, and where applicable by the SAC of BNM nor by the Shariah Supervisory Boards of relevant Islamic indices, the Shariah status of the instruments has been reviewed and determined by the Shariah Adviser.

3. Zakat for the Fund

The Fund does not pay zakat on behalf of its Unit Holders, both Muslim individuals and Islamic legal entities. Thus, Unit Holders are advised to pay zakat on their own.

11. Amendments to page 11 of the First Prospectus – “Fees, Charges and Expenses – Other Expenses Related To The Fund”

The information in relation to other expenses related to the Fund is hereby deleted and replaced with the following:

Only expenses that are directly related and necessary for the operation and administration of the Fund and permitted by the Deed may be charged to the Fund. The list of expenses related to the Fund is set out below:

- commissions or fees paid to brokers or dealers (where applicable);
- auditors' fee;
- tax adviser's fee;
- Shariah adviser's fee;
- valuation fee*
- taxes;
- custodial charges (i.e. foreign sub-custodial charges only);
- cost of printing the annual and semi-annual reports;
- remuneration and out of pocket expenses of the person(s) or members of a committee undertaking the oversight function of the Fund;
- any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred by the Fund; and
- any other expenses allowed under the Deed.

* These are fees for the valuation of any investment of the Fund.

12. Amendments to page 12 of the First Prospectus – “Fees, Charges and Expenses – Rebates And Soft Commissions”

The information in relation to rebates and soft commissions is hereby deleted and replaced with the following:

The Manager, the External Investment Manager, the Trustee and the Trustee's delegate should not retain any rebates from, or otherwise share in any commission with any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate and shared commission will be directed to the account of the Fund.

Notwithstanding the aforesaid, the Manager or the External Investment Manager may retain goods and services by way of soft commissions provided by any broker or dealer if the following conditions are met:

- the soft commissions bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;
- any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund; and
- the availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer and the Manager or the External Investment Manager will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.

Soft commissions which are not allowed include, among others, entertainment allowance, travel, accommodation and membership fee.

13. Amendments to page 14 of the First Prospectus – “Transaction Information – How To Purchase Units”

The information in relation to the item (i) of how to purchase Units is hereby deleted and replaced with the following:

(i) Online submission via myEastspring

Individual investor can register for a “myEastspring” account at www.myeastspring.com.my by uploading the following required documents for account opening with the assistance from a UTC:

- Images of identity card (Malaysian or Singaporean) or valid unexpired passport (foreigner) or other identification such as police identity card or army identity card (front and back); and
- Utility bill, driver’s license, bank statement, international travel documents issued by a foreign government or the United Nations or any other reliable and independent identification document* and electronic data* where the name matches the name of the investor; and
- Student identity card or birth certificate (where applicable, for minor jointholder who is below 18 years old).

Upon successful account opening, investor may purchase Units of the Fund by executing a buy transaction via online through myEastspring.

** You may get in touch with your UTC or our client services personnel to find out more on the list of independent identification document and electronic data.*

14. Amendments to pages 15 - 16 of the First Prospectus – “Transaction Information – How To Redeem Units”

The information in relation to the 1st and 5th paragraphs of how to redeem Units is hereby deleted and replaced with the following:

1st paragraph:

A Unit Holder may redeem all or some of the Units held on any Business Day by executing a sell transaction via online through myEastspring or completing a transaction form.

5th paragraph:

The Manager shall pay you the redemption proceeds via e-payment ONLY according to your bank account details as stated in your myEastspring account or in the master account opening form or redemption form, or in such other manner as determined by the Manager on a case to case basis, no later than seven (7) Business Days* from the date the Manager receives the duly completed redemption application. If you redeem immediately after the purchase of Units, the Manager shall have the right to withhold the redemption application until sufficient time has elapsed to ensure that the amount remitted by you (for purchase of Units) is realised and credited to the Manager’s client trust bank account.

** With effect from 31 August 2022, the settlement period for the redemption request will be revised to seven (7) Business Days. Prior to 31 August 2022, the settlement period for the redemption request is within ten (10) calendar days.*

15. Amendments to page 16 of the First Prospectus – “Transaction Information – Cooling-Off Period & Cooling-Off Right”

The information in relation to the 3rd, 4th, 5th and 9th paragraphs of the cooling-off period & cooling-off right is hereby deleted and replaced with the following:

3rd and 4th paragraphs:

There is a cooling-off period of six (6) Business Days commencing from the day your application is accepted or deemed to be accepted by the Manager. Within these six (6) Business Days, you have a right to request for withdrawal of the investment. The refund for every Unit held by you pursuant to the exercise of your cooling-off right* are as follows:

- (a) if the NAV per Unit on the day the Units were first purchased (“original price”) is higher than the price of a Unit at the point of exercise of the cooling-off right (“market price”), the market price at the point of cooling-off; or
- (b) if the market price is higher than the original price, the original price at the point of cooling-off; and
- (c) the sales charge per Unit originally imposed on the day the Units were purchased.

** With effect from 31 August 2022, the refund pursuant to a Unit Holder’s exercise of cooling-off right will be as mentioned above. Prior to 31 August 2022, the refund would be based on the NAV per Unit on the day the Units were first purchased and the sales charge originally imposed on the day the Units were purchased.*

5th paragraph:

Unit Holder may exercise cooling-off right on any Business Day by executing a sell transaction via online through myEastspring or completing a transaction form.

9th paragraph:

Cooling-off proceeds will be refunded to you via e-payment ONLY according to the bank account details as stated in your myEastspring account or in the master account opening form or redemption form, or in such other manner as determined by the Manager on a case to case basis, no later than seven (7) Business Days* from the date the Manager receives the duly completed cooling-off application, provided that the Manager has received cleared funds for the original investment.

** With effect from 31 August 2022, the cooling-off proceeds will be refunded to you within seven (7) Business Days. Prior to 31 August 2022, the cooling-off proceeds would be refunded within ten (10) calendar days.*

16. Amendments to page 16 of the First Prospectus – “Transaction Information - Switching Between Funds”

The information in relation to the 1st paragraph of switching between funds is hereby deleted and replaced with the following:

1st paragraph:

A Unit Holder is allowed to switch the Units held in the Fund to another fund managed by the Manager denominated in the same currency by executing a switch transaction via online through myEastspring or completing a transaction form. There is no switching fee imposed on switching of Units but Unit Holders have to pay the difference of sales charge if Unit Holders wish to switch to another fund with a higher sales charge. However, no sales charge will be imposed if the fund to be switched to has a lower sales charge than the Fund.

17. Amendments to page 18 of the First Prospectus – “Transaction Information – Suspension Of Sale And Redemption Of Units”

The information in relation to the suspension of sale and redemption of Units is hereby deleted and replaced with the following:

The Manager may, in consultation with the Trustee and having considered the interests of Unit Holders, suspend dealing in Units of the Fund due to exceptional circumstances, where there is good and sufficient reason to do so, considering the interests of Unit Holders. The Manager will cease the suspension as soon as practicable after the circumstances which result in the suspension have ceased, and in any event within twenty-one (21) days of the commencement of suspension. The period of suspension may be extended if the Manager satisfies the Trustee that it is in the best interests of the Unit Holders for the dealing in Units to remain suspended and such extension will be subject to weekly review by the Trustee.

The Manager will inform the Unit Holders in a timely and appropriate manner of the decision to suspend dealing in Units of the Fund.

18. Amendments to page 20 of the First Prospectus – “The Management And The Administration Of The Fund – Roles, Duties And Responsibilities Of The Manager”

The information in relation to the 2nd paragraph of the cross trade policy is hereby deleted and replaced with the following:

2nd paragraph:

All cross trades will be executed in accordance with the Manager's policy which is in line with the regulatory requirements. Post transactions, all cross trades will be reviewed by the Manager's compliance officer and the committee undertaking the oversight function of the Fund.

19. Amendments to page 20 of the First Prospectus – “The Management And The Administration Of The Fund – Board of Directors”

The information in relation to board of directors is hereby deleted and replaced with the following:

The board of directors oversee the overall management of the Manager. The board of directors meet every quarter or more frequently, when required. Please refer to <https://www.eastspring.com/my/about-us/management> for more information on our board of directors.

20. Amendments to page 21 of the First Prospectus – “The Management And The Administration Of The Fund – Investment Committee”

The information in relation to the investment committee is hereby deleted.

21. Amendments to page 21 of the First Prospectus – “The Management And The Administration Of The Fund – Other Information”

The information in relation to the other information is hereby deleted and replaced with the following:

Further information on the Manager, Shariah Adviser and External Investment Manager are provided in the Manager's website.

22. Amendments to pages 22 – 23 of the First Prospectus – “The Shariah Adviser”

The information in relation to the Shariah Adviser is hereby deleted and replaced with the following:

BIMB Securities Sdn Bhd has been appointed as the Shariah adviser for the Eastspring Islamic China A-Shares. BIMB Securities Sdn Bhd will provide Shariah advisory services on the management and operations of the Fund to ensure the operations of the Fund comply with Shariah requirements.

ABOUT BIMB SECURITIES SDN BHD

BIMB Securities Sdn Bhd is a stockbroking subsidiary of Bank Islam Malaysia Berhad incorporated on 21 February 1994 and is licensed by the SC. The corporate mission of BIMB Securities Sdn Bhd is to be an active participant in a modern, innovative and dynamic Islamic capital market in Malaysia, catering for the needs of all investors, Muslims and non-Muslims, looking for Shariah-compliant investment products and services.

EXPERIENCE IN SHARIAH ADVISORY SERVICES

BIMB Securities Sdn Bhd is registered with the SC to act as a Shariah adviser for Islamic products and services regulated by the SC, which include Islamic collective investment schemes. BIMB Securities Sdn Bhd is independent from the Manager and does not hold office as a member of the committee undertaking the oversight function of the Fund or any other fund managed and administered by the Manager. As at 31 March 2022, BIMB Securities Sdn Bhd is a corporate Shariah adviser to 82 Islamic funds including one (1) Islamic real estate investment trust.

ROLES AND RESPONSIBILITIES OF BIMB SECURITIES SDN BHD AS THE SHARIAH ADVISER

As the Shariah adviser for the Fund, the role of BIMB Securities Sdn Bhd is to ensure that the investment operations and processes of the Fund are in compliance with Shariah requirements. BIMB Securities Sdn Bhd will review the Fund's investments on a monthly basis to ensure Shariah compliance and it also reviews the semi-annual and annual reports of the Fund.

Notwithstanding the role played by the Shariah Adviser, the ultimate responsibility for ensuring Shariah compliance of the Fund in all aspects of operations and processes rests solely with the Manager.

In line with the SC's guidelines, the roles of BIMB Securities Sdn Bhd as the Shariah adviser are:

1. to provide Shariah expertise and advice on Shariah matters in relation to the Fund including matters relating to documentation (which includes the deed and prospectus), structure, feature, investment instruments and ensure that all aspects of the Fund are in accordance with Shariah requirements as set out in the relevant securities laws and guidelines issued by the SC;
2. to ensure that the Fund complies with the applicable Shariah rulings, principles and concepts endorsed by the SAC of the SC;
3. to review the Fund's compliance reports as provided by the Manager's compliance officer and investment transaction reports provided or duly approved by the Trustee to ensure that the Fund's investments are in line with Shariah;
4. to prepare a report for inclusion in the semi-annual and annual reports of the Fund stating the Shariah Adviser's opinion whether the Fund has been managed in compliance with Shariah, including Shariah rulings, principles and concepts endorsed by the SAC of the SC;
5. to apply *Ijtihad* (intellectual reasoning) to ensure all aspects relating to the Fund are in compliance with Shariah, in the absence of any rulings, principles and concepts endorsed by the SAC of the SC;

6. to consult the SC where there is ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process; and
7. to meet with the Manager on a semi-annual basis, or when urgently required for review of the Fund's operation and processes.

PROFILES OF THE SHARIAH PERSONNEL

Ir. Dr. Muhamad Fuad bin Abdullah (“Dr. Muhamad Fuad”)

Dr. Muhamad Fuad is the designated person in-charge of all Shariah matters in BIMB Securities Sdn Bhd.

He graduated with a Bachelor of Science Degree in Electrical Engineering in 1977 and a Master of Philosophy Degree in Electrical Engineering in 1982, both from the University of Southampton, England. He also obtained a Bachelor of Arts (Jayyid) Degree in Shariah from the University of Jordan in 1994 and a Doctor of Philosophy in Muslim Civilization from the University of Aberdeen, Scotland in 1996.

He is a registered individual Shariah adviser with the SC and is the chairman of the Shariah advisory committee of BIMB Securities Sdn Bhd effective 1 September 2021. He sits on the Shariah committees of Bank Islam Malaysia Berhad and AIA-Public Takaful Berhad.

He is the non-executive chairman of Gagasan Nadi Cergas Berhad, a board member of Universiti Tun Abd Razak Sdn Bhd (“UniRAZAK”) and Medic IG Holdings Sdn Bhd.

Dr. Muhamad Fuad is a recipient of the National Book Award 2015 for his book published by IKIM entitled “The Influence of Islam Upon Classical Arabic Scientific Writings: An Examination of the Extent of Their Reference to Quran, Hadith and Related Texts”.

Nurussaádah binti Nasarudin (“Nurussaádah”)

Nurussaádah joined BIMB Securities Sdn Bhd in June 2015 as the Shariah executive and has been promoted as the head of Shariah section effective 1 May 2021. She is also the designated Shariah officer registered under the BIMB Securities Sdn Bhd's Shariah adviser registration, responsible for the Shariah advisory services offered by BIMB Securities Sdn Bhd.

Nurussaádah graduated with a Bachelor of Shariah majoring in Islamic Banking and Economics from the University of Yarmouk, Jordan.

Currently, she is responsible in providing Shariah inputs on the advisory, consultancy and research functions with regards to Islamic capital market and Islamic collective investment schemes, including but not limited to, conducting surveillance on the non-financial institution activities.

She is experienced in product development and review for Islamic capital market products specifically on Islamic stockbroking services.

23. Amendments to page 24 of the First Prospectus – “The Trustee – Experience In Trustee Business”

The information in relation to the experience in Trustee business is hereby deleted and replaced with the following:

DTMB is part of Deutsche Bank's Securities Services, which provides trust, custody and related services on a range of securities and financial structures. As at 31 March 2022, DTMB is the trustee

for two hundred and eight (208) collective investment schemes including unit trust funds, wholesale funds, exchange-traded funds and private retirement schemes.

DTMB's trustee services are supported by Deutsche Bank (Malaysia) Berhad ("DBMB"), a subsidiary of Deutsche Bank, financially and for various functions, including but not limited to financial control and internal audit.

24. Amendments to page 24 of the First Prospectus – "The Trustee - Trustee's Disclosure Of Material Litigation"

The information in relation to the Trustee's disclosure of material litigation is hereby deleted and replaced with the following:

As at 31 March 2022, the Trustee (a) has not engaged in any material litigation and arbitration including those pending or threatened, nor (b) is aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee.

25. Amendments to page 26 of the First Prospectus – "Salient Terms Of The Deed – Permitted Expenses Payable By the Fund"

The information in relation to items (d) and (m) is hereby deleted and replaced with the following:

- (d) fees for the valuation of any Shariah-compliant investment for the Fund;
- (m) remuneration and out of pocket expenses of the person(s) or members of a committee undertaking the oversight function of the Fund, unless the Manager decides otherwise;

26. Amendments to page 27 of the First Prospectus – "Salient Terms Of The Deed – Termination Of The Fund"

The information in relation to the procedures and processes for termination of the Fund is hereby inserted as follows:

Procedures and Processes for Termination of the Fund

Upon the termination of the Fund, the Trustee shall:

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

provided always that the Trustee shall not be bound, except in the case of final distribution, to distribute any of the moneys for the time being in his hands the amount of which is insufficient for payment to the Unit Holders of Ringgit Malaysia Fifty sen (RM0.50) in respect of each Unit and provided also that the Trustee shall be entitled to retain out of any such moneys in his hands full provision for all costs, charges, taxes, expenses, claims and demands incurred, made or anticipated by the Trustee in connection with or arising out of the termination of the Fund and, out of the moneys so retained, to be indemnified against any such costs, charges, taxes,

expenses, claims and demands; each of such distribution shall be made only against the production of such evidence as the Trustee may require of the title of the Unit Holder relating to the Units in respect of which the distribution is made.

In the event of the Fund being terminated:

- (a) the Trustee shall be at liberty to call upon the Manager to grant the Trustee, and the Manager shall so grant, a full and complete release from the Deed;
- (b) the Manager shall indemnify the Trustee against any claims arising out of the Trustee's execution of the Deed provided always that such claims have not been caused by any failure on the part of the Trustee to exercise the degree of care and diligence required of a trustee as contemplated by the Deed and all relevant laws;
- (c) the Manager and the Trustee shall notify the relevant authorities in such manner as may be prescribed by any relevant law; and
- (d) the Manager or the Trustee shall notify the Unit Holders in such manner as may be prescribed by any relevant law.

27. Amendments to page 28 of the First Prospectus – “Salient Terms Of The Deed – Provisions Governing Unit Holders’ Meeting”

The information in relation to the provisions governing Unit Holders’ meeting is hereby deleted and replaced with the following:

The quorum required for a meeting of Unit Holders of the Fund shall be five (5) Unit Holders, whether present in person or by proxy; however, if the Fund has five (5) or less Unit Holders, the quorum required for a meeting of Unit Holders of the Fund shall be two (2) Unit Holders, whether present in person or by proxy.

If the meeting has been convened for the purpose of voting on a special resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty five per centum (25%) of the Units in circulation at the time of the meeting.

If the Fund has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders of the Fund.

28. Amendments to page 28 of the First Prospectus – “Salient Terms Of The Deed – Suspension Of Dealing In Units”

The information in relation to the suspension of dealing in Units is hereby deleted and replaced with the following:

The Manager may, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the sale and/or redemption of Units due to exceptional circumstances, where there is good and sufficient reason to do so. Where such suspension is triggered, the Manager shall notify all Unit Holders in a timely and appropriate manner of its decision to suspend the sale and/or redemption of Units.

29. Amendments to page 30 of the First Prospectus – “Related Party Transactions And Conflict Of Interest”

- (i) The information in relation to the 4th paragraph of the related party transactions and conflict of interests is hereby deleted and replaced with the following:

4th paragraph:

In making an investment transaction for the Fund, the Manager is obliged not to make improper use of its position in managing the Fund to gain, directly or indirectly, any advantage for the Manager or for any other person or to cause detriment to your interests. If the interests of the directors or the members of committee undertaking the oversight function of the Fund conflict with the interests of the Fund, they will not be allowed to participate in the decision-making process in respect of the matter. Additionally, the Manager’s directors, members of committee undertaking the oversight function of the Fund and employees have to disclose their personal dealings to the compliance unit, which monitors such dealings.

- (ii) The information in relation to the 5th paragraph of the related party transactions and conflict of interest is hereby deleted.

- (iii) The information in relation to Deutsche Trustees Malaysia Berhad is hereby deleted and replaced with the following:

As the trustee for the Fund and the Manager’s delegate for the fund accounting and valuation services (where applicable), there may be related party transactions involving or in connection with the Fund within the following events:

- 1) Where the Fund invests in the products offered by Deutsche Bank AG and any of its group companies (e.g. money market placement, etc);
- 2) Where the Fund has obtained financing from Deutsche Bank AG and any of its group companies, as permitted under the SC’s guidelines and other applicable laws;
- 3) Where the Manager appoints DTMB to perform its back office functions (e.g. fund accounting and valuation); and
- 4) Where DTMB has delegated its custodian functions for the Fund to Deutsche Bank (Malaysia) Berhad.

DTMB will rely on the Manager to ensure that any related party transactions, dealings, investments and appointments are on terms which are the best that are reasonably available for or to the Fund and are on an arm’s length basis as if between independent parties.

While DTMB has internal policies intended to prevent or manage conflicts of interests, no assurance is given that their application will necessarily prevent or mitigate conflicts of interests. The Trustee’s commitment to act in the best interests of the Unit Holders of the Fund does not preclude the possibility of related party transactions or conflicts.

30. Amendments to pages 31 – 34 of the First Prospectus – “Taxation Adviser’s Letter On Taxation Of The Fund And Unit Holders”

The information in relation to the taxation adviser’s letter on taxation of the Fund and Unit Holders is hereby deleted and replaced with the following:

**TAXATION ADVISER’S LETTER
ON TAXATION OF THE FUND AND UNIT HOLDERS
(Prepared for inclusion in this First Supplementary Prospectus)**

PricewaterhouseCoopers Taxation Services Sdn Bhd

Level 10, 1 Sentral, Jalan Rakyat
Kuala Lumpur Sentral
P.O.Box 10192
50706 Kuala Lumpur

The Board of Directors

Eastspring Investments Berhad
Level 22, Menara Prudential
Persiaran TRX Barat
55188 Tun Razak Exchange
Kuala Lumpur

Date: 27 May 2022

TAXATION OF THE FUND AND UNIT HOLDERS

Dear Sirs,

This letter has been prepared for inclusion in the First Supplementary Prospectus in connection with the Eastspring Investments Islamic China A-Shares Fund (“the Fund”).

The taxation of income for the Fund and the Unit Holders are subject to the provisions of the Malaysian Income Tax Act 1967 (“the Act”). The applicable provisions are contained in Section 61 of the Act, which deals specifically with the taxation of trust bodies in Malaysia.

TAXATION OF THE FUND

The Fund will be regarded as resident for Malaysian tax purposes since the Trustee of the Fund is resident in Malaysia.

(1) Domestic Investments

(i) General Taxation

Subject to certain exemptions, the income of the Fund consisting of dividends, interest or profit¹ (other than interest or profit¹ which is exempt from tax) and other investment income derived from or accruing in Malaysia, after deducting tax allowable expenses, is liable to Malaysian income tax at the rate of 24 percent.

Gains on investments in Malaysia by the Fund will not be subject to Malaysian income tax.

(ii) Dividends and Other Exempt Income

Effective 1 January 2014, all companies would adopt the single-tier system. Hence dividends received would be exempted from tax and the deductibility of expenses incurred against such dividend income would be disregarded. There will no longer be any tax refunds available for single-tier dividends received. Dividends received from companies under the single-tier system would be exempted.

The Fund may receive Malaysian dividends which are tax exempt. The exempt dividends may be received from investments in companies which had previously enjoyed or are currently enjoying the various tax incentives provided under the law. The Fund will not be taxable on such exempt income.

Interest or profit¹ or discount income derived from the following investments is exempt from tax:

- (a) Securities or bonds issued or guaranteed by the government of Malaysia;
- (b) Debentures² or sukuk, other than convertible loan stocks, approved or authorised by, or lodged with, the Securities Commission Malaysia; and
- (c) Bon Simpanan Malaysia issued by Bank Negara Malaysia.

Interest or profit¹ derived from the following investments is exempt from tax:

- (a) Interest or profit¹ paid or credited by any bank or financial institution licensed under the Financial Services Act 2013 and Islamic Financial Services Act 2013;
- (b) Interest or profit¹ paid or credited by any development financial institution regulated under the Development Financial Institutions Act 2002;
- (c) Bonds, other than convertible loan stocks, paid or credited by any company listed in Bursa Malaysia Securities Berhad ACE Market; and
- (d) Interest or profit¹ paid or credited by Malaysia Building Society Berhad³.

The interest or profit¹ or discount income exempted from tax at the Fund level will also be exempted from tax upon distribution to the Unit Holders.

¹ Under Section 2(7) of the Income Tax Act 1967, any reference to interest shall apply, *mutatis mutandis*, to gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of Syariah. The effect of this is that any gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of Shariah, will be accorded the same tax treatment as if they were interest.

² Structured products approved by the Securities Commission Malaysia are deemed to be "debenture" under the Capital Markets and Services Act, 2007 and fall within the scope of exemption.

³ Exemption granted through letters from Ministry of Finance Malaysia dated 11 June 2015 and 16 June 2015 and it is with effect YA 2015.

Exception: -

i. Wholesale money market fund

With effect from 1 January 2019, the exemption shall not apply to interest or profit¹ paid or credited to a unit trust that is a wholesale money market fund.

ii. Retail money market fund ("RMMF")

Based on the Finance Act 2021, the interest income or profit¹ of a RMMF will remain tax exempted under Paragraph 35A, Schedule 6 of the Act. However, resident and non-resident Unit Holders (other than individual Unit Holders), who receive income distributed from interest or profit¹ income of the RMMF which are exempted under Paragraph 35A of Schedule 6, will be subject to withholding tax ("WHT") at the rate of 24 percent. This new WHT was effective from 1 January 2022 onwards.

The WHT is to be withheld and remitted by the RMMF to the tax authorities within 30 days upon distribution of the income to the Unit Holders.

(2) Foreign Investments

With effect from 1 January 2022, the exemption of foreign-sourced income received in Malaysia is only applicable to a person who is a non-resident.

The Ministry of Finance subsequently announced on 30 December 2021 that subject to conditions, which will be set out in guidelines to be issued by the Inland Revenue Board ("IRB"), the following foreign-sourced income received from 1 January 2022 to 31 December 2026 (5 years) will continue to be exempted from Malaysian income tax:

- Dividend income received by resident companies and limited liability partnerships.
- All classes of income received by resident individuals, except for resident individuals which carry on business through a partnership.

Based on clarifications from the IRB, foreign-sourced income (e.g. dividends, interest, etc.) of a resident Fund which is received in Malaysia will be subject to tax. There will be a transitional period from 1 January 2022 to 30 June 2022 where foreign-sourced income remitted to Malaysia will be taxed at the rate of 3% on gross income. From 1 July 2022 onwards, any foreign-sourced income remitted to Malaysia will be subject to Malaysian income tax at the rate of 24% for a resident Fund.

Such income from foreign investments may be subject to taxes or withholding taxes in the specific foreign country. Subject to meeting the relevant prescribed requirements, the Fund in Malaysia is entitled to double taxation relief on any foreign tax suffered on the income in respect of overseas investment.

Gains on disposal of foreign investments by the Fund will not be subject to Malaysian income tax.

The foreign income subjected to Malaysian tax at the Fund level will also be taxable upon distribution to the Unit Holders. However, the income distribution from the Fund will carry a tax credit in respect of the Malaysian tax paid by the Fund. Unit Holders will be entitled to utilise the tax credit against the tax payable on the income distribution received by them.

(3) Tax Deductible Expenses

Expenses wholly and exclusively incurred in the production of gross income are allowable as deductions under Section 33(1) of the Act. In addition, Section 63B of the Act provides for tax deduction in respect of managers' remuneration, expenses on maintenance of the register of Unit Holders, share registration expenses, secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postages based on a formula subject to a minimum of 10 percent and a maximum of 25 percent of the expenses.

(4) Real Property Gains Tax ("RPGT")

With effect from 1 January 2019, any gains on disposal of real properties or shares in real property companies⁴ would be subject to RPGT as follows:-

Disposal time frame	RPGT rates (Companies incorporated in Malaysia and Trustee of a trust)
Within 3 years	30%
In the 4 th year	20%
In the 5 th year	15%
In the 6 th year and subsequent years	10%

(5) Sales and Service Tax ("SST")

Effective from 1 September 2018, SST has been reintroduced to replace the Goods and Services Tax ("GST"). Both the Sales Tax Act 2018 and Services Tax Act 2018 have been gazetted on 28 August 2018. The rates for sales tax are nil, 5%, 10% or a specific rate whereas the rate for service tax is at 6 percent.

Sales tax will be chargeable on taxable goods manufactured in or imported into Malaysia, unless specifically exempted by the Minister. Whereas only specific taxable services provided by specific taxable persons will be subject to service tax. Sales tax and service tax are single stage taxes. As such, SST incurred would generally form an irrecoverable cost to the business

In general, the Fund, being a collective investment vehicle, will not be caught under the service tax regime.

Certain brokerage, professional, consultancy or management services obtained by the Fund may be subject to service tax at 6 percent. However, fund management services and trust services are excluded from service tax. With effect from 1 January 2019, service tax will apply to any taxable service that is acquired by any business in Malaysia from a non-Malaysian service provider. In this connection, the Fund, being non-taxable person who acquire imported taxable services (if any) will need to declare its imported taxable services through the submission of prescribed declaration, i.e., Form SST-02A to the Royal Malaysian Customs Department ("RMCD").

With effect from 1 January 2020, service tax on digital services was implemented at the rate of 6 percent. Under the service tax on digital services, foreign service providers selling digital services to Malaysian consumers are required to register for and charge service tax. Digital services are defined

⁴ A real property company is a controlled company which owns or acquires real property or shares in real property companies with a market value of not less than 75 percent of its total tangible assets. A controlled company is a company which does not have more than 50 members and is controlled by not more than 5 persons.

THIS FIRST SUPPLEMENTARY PROSPECTUS DATED 1 AUGUST 2022 IS TO BE READ IN CONJUNCTION WITH THE FIRST PROSPECTUS DATED 13 SEPTEMBER 2021

as services which are delivered or subscribed over the internet or other electronic network, cannot be delivered without the use of IT and the delivery of the service is substantially automated.

Furthermore, the provision of digital services has also been prescribed as a taxable service when provided by a local service provider with effect from 1 January 2020. Hence, where the Fund obtains any of the prescribed digital services, those services may be subject to service tax at 6 percent.

TAXATION OF UNIT HOLDERS

Unit Holders will be taxed on an amount equivalent to their share of the total taxable income of the Fund to the extent of the distributions received from the Fund. The income distribution from the Fund will carry a tax credit in respect of the tax paid by the Fund. Unit Holders will be entitled to utilise the tax credit against the tax payable on the income distribution received by them. Generally, no additional withholding tax will be imposed on the income distribution from the Fund; unless the Fund is an RMMF, in which case there is a WHT on distribution from interest income of a RMMF which are exempted under Paragraph 35A of Schedule 6 and distributed to non-individual unitholders.

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

Corporate Unit Holders, resident⁵ and non-resident, will generally be liable to income tax at 24 percent⁶ on distribution of income received from the Fund. The tax credits attributable to the distribution of income can be utilised against the tax liabilities of these Unit Holders.

Individuals and other non-corporate Unit Holders who are tax resident in Malaysia will be subject to income tax at graduated rates ranging from 1 percent to 30 percent. Individuals and other non-corporate Unit Holders who are not resident in Malaysia will be subject to income tax at 30 percent. The tax credits attributable to the distribution of income will be utilised against the tax liabilities of these Unit Holders.

The distribution of exempt income and gains arising from the disposal of investments by the Fund will be exempted from tax in the hands of the Unit Holders.

Based on the Finance Act 2021, in respect of distribution from a RMMF, resident and non-resident corporate Unit Holders (other than individual Unit Holders), who receive income distributed from interest or profit¹ income of the RMMF which are exempted under Paragraph 35A of Schedule 6, will be subject to WHT at the rate of 24%, effective from 1 January 2022.

⁵ Resident companies with paid up capital in respect of ordinary shares of RM2.5 million and below and having an annual sale of not more than RM50 million will pay tax at 17% for the first RM600,000 of chargeable income with the balance taxed at 24% with effect from YA 2020.

With effect from YA 2009, the above shall not apply if more than –

- (a) 50% of the paid up capital in respect of ordinary shares of the company is directly or indirectly owned by a related company;
- (b) 50% of the paid up capital in respect of ordinary shares of the related company is directly or indirectly owned by the first mentioned company;
- (c) 50% of the paid up capital in respect of ordinary shares of the first mentioned company and the related company is directly or indirectly owned by another company.

“Related company” means a company which has a paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of the basis period for a YA.

⁶ Pursuant to Finance Act 2021, the income tax rate for a company (other than Micro, Small and Medium Enterprises) will be increased to 33% if a company has chargeable income exceeding RM100,000,000 in YA 2022.

THIS FIRST SUPPLEMENTARY PROSPECTUS DATED 1 AUGUST 2022 IS TO BE READ IN CONJUNCTION WITH THE FIRST PROSPECTUS DATED 13 SEPTEMBER 2021

For resident corporate Unit Holders, the WHT is not a final tax. The resident corporate Unit Holders will need to subject the income distributed from interest or profit¹ income of a RMMF which are exempted under Paragraph 35A of Schedule 6 to tax in its income tax returns and the attached tax credit i.e., the 24% WHT suffered will be available for set-off against the tax chargeable on the resident corporate Unit Holders.

For non-resident Corporate Unit Holders, the 24% WHT on income distributed from interest or profit¹ income of a RMMF which are exempted under Paragraph 35A of Schedule 6, is a final tax.

Any gains realised by Unit Holders (other than those in the business of dealing in securities, insurance companies or financial institutions) on the sale or redemption of the units are treated as capital gains and will not be subject to income tax. This tax treatment will include in the form of cash or residual distribution in the event of the winding up of the Fund.

Unit Holders electing to receive their income distribution by way of investment in the form of new units will be regarded as having purchased the new units out of their income distribution after tax.

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

We hereby confirm that the statements made in this report correctly reflect our understanding of the tax position under current Malaysian tax legislation. Our comments above are general in nature and cover taxation in the context of Malaysian tax legislation only and do not cover foreign tax legislation. The comments do not represent specific tax advice to any investors, and we recommend that investors obtain independent advice on the tax issues associated with their investments in the Fund.

Yours faithfully,
for and on behalf of

PRICEWATERHOUSECOOPERS TAXATION SERVICES SDN BHD

Lim Phaik Hoon
Partner

PricewaterhouseCoopers Taxation Services Sdn Bhd have given their written consent to the inclusion of their report as taxation adviser in the form and context in which they appear in this First Supplementary Prospectus and have not, before the date of issue of the First Supplementary Prospectus, withdrawn such consent.

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Second Supplementary Prospectus of Eastspring Investments Islamic China A-Shares Fund

This Second Supplementary Prospectus of Eastspring Investments Islamic China A-Shares Fund dated 2 February 2024 (“Second Supplementary Prospectus”) must be read together with the First Supplementary Prospectus of Eastspring Investments Islamic China A-Shares Fund dated 1 August 2022 (“First Supplementary Prospectus”) and the First Prospectus of Eastspring Investments Islamic China A-Shares Fund dated 13 September 2021 (“First Prospectus”).

The Eastspring Investments Islamic China A-Shares Fund (“Fund”) is constituted on 13 September 2021.

The Securities Commission Malaysia has authorised the Fund, and a copy of this Second Supplementary Prospectus dated 2 February 2024, the First Supplementary Prospectus dated 1 August 2022 and the First Prospectus dated 13 September 2021 (collectively, the “Prospectuses”) have been registered with the Securities Commission Malaysia, who takes no responsibility for their contents. The authorisation of the Fund, and registration of the Prospectuses, should not be taken to indicate that the Securities Commission Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made, opinion expressed or reports contained in the Prospectuses.

MANAGER

Eastspring Investments Berhad
200001028634 (531241-U)

TRUSTEE

Deutsche Trustees Malaysia Berhad
200701005591 (763590-H)

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS SECOND SUPPLEMENTARY PROSPECTUS DATED 2 FEBRUARY 2024, THE FIRST SUPPLEMENTARY PROSPECTUS DATED 1 AUGUST 2022 AND THE FIRST PROSPECTUS DATED 13 SEPTEMBER 2021. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

THIS SECOND SUPPLEMENTARY PROSPECTUS DATED 2 FEBRUARY 2024 IS TO BE READ IN CONJUNCTION WITH THE FIRST PROSPECTUS DATED 13 SEPTEMBER 2021 AND THE FIRST SUPPLEMENTARY PROSPECTUS DATED 1 AUGUST 2022.

RESPONSIBILITY STATEMENT

This Second Supplementary Prospectus has been reviewed and approved by the directors of Eastspring Investments 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 Second Supplementary Prospectus false or misleading.

STATEMENTS OF DISCLAIMER

The Securities Commission Malaysia has authorised the Fund and a copy of the Prospectuses have been registered with the Securities Commission Malaysia.

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

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

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

ADDITIONAL STATEMENTS

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

Eastspring Investments Islamic China A-Shares Fund has been certified as Shariah-compliant by the Shariah adviser appointed for the Fund.

Eastspring Investments Islamic China A-Shares Fund will not be offered for sale in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or to any U.S. Person(s). Accordingly, investors may be required to certify that they are not U.S. Person(s) before making an investment in this Fund.

THIS SECOND SUPPLEMENTARY PROSPECTUS DATED 2 FEBRUARY 2024 IS TO BE READ IN CONJUNCTION WITH THE FIRST PROSPECTUS DATED 13 SEPTEMBER 2021 AND THE FIRST SUPPLEMENTARY PROSPECTUS DATED 1 AUGUST 2022.

Unless otherwise provided in this Second Supplementary Prospectus, all the capitalised terms used herein shall have the same meanings ascribed to them in the First Prospectus dated 13 September 2021 as supplemented by the First Supplementary Prospectus dated 1 August 2022

This Second Supplementary Prospectus is issued to inform investors that:

- The information in relation to the 5th paragraph of the distribution channels under “Chapter 5 – Transaction Information” has been amended.
- The information in relation to the 5th paragraph of the transaction details under “Chapter 5 – Transaction Information” has been amended.
- A new 2nd paragraph in relation to the auto reinvestment policy under “Chapter 5 – Transaction Information” has been inserted.

1. Amendments to page 14 of the First Prospectus – “Transaction Information – Distribution Channels”

The information in relation to the 5th paragraph is hereby deleted and replaced with the following:

5th paragraph

If you fail to redeem or transfer your Units within the stipulated period, we shall have the right to compulsorily repurchase all the Units held by you after thirty (30) calendar days from the date of the said notice. The Manager shall pay you the redemption proceeds via e-payment ONLY according to your bank account details as stated in your myEastspring account or in the master account opening form or redemption form, or in such other manner as determined by the Manager on a case to case basis, no later than seven (7) Business Days from the date that the Manager repurchase all the Units held by you.

2. Amendments to page 18 of the First Prospectus – “Transaction Information – Transaction Details”

The information in relation to the 5th paragraph is hereby deleted and replaced with the following:

5th paragraph:

The Manager reserves the right to change the minimum amounts and number of Units stipulated above from time to time. Should the Manager decide to increase the minimum amounts and number of units as stipulated under the transaction details section, the Manager shall notify the Unit Holders by way of a letter at least fourteen (14) days prior to the effective date of such change. Investments made via digital platforms may have a lower minimum initial investment, minimum additional investment amount, minimum redemption and/or minimum holdings of Units of the Fund, subject to the respective digital platforms’ terms and conditions, which may be amended from time to time.

3. Amendments to page 19 of the First Prospectus – “Transaction Information – Auto Reinvestment Policy”

A new 2nd paragraph is hereby inserted as follows:

2nd paragraph:

The Manager reserves the right to change the income distribution instruction to “reinvestment” if the Unit Holder did not claim the income distribution payment for the last three (3) consecutive distributions.

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