

PROSPECTUS

This Prospectus is dated 25 November 2022



ASN Sukuk

This Fund was constituted on 1 September 2022



MANAGER

ASNB
Amanah Saham Nasional Berhad

Registration no. 197901003200 (47457-V)

A company incorporated with limited liability
in Malaysia under the laws of Malaysia,
and wholly-owned by
Permodalan Nasional Berhad
Registration no. 197801001190 (38218-X)

TRUSTEE

AMANAHRAYA
TRUSTEES

AmanahRaya Trustees Berhad

(200701008892)

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 SECTION 3.3.

The Fund may declare distribution out of capital and the capital of the Fund may be eroded. The distribution is achieved by forgoing the potential for future capital growth and this cycle may continue until all capital is depleted.

ASN Sukuk has been certified as Shariah-compliant by the Shariah adviser appointed for the fund.

RESPONSIBILITY STATEMENTS

This Prospectus has been reviewed and approved by the directors of Amanah Saham Nasional 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 the 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 Amanah Saham Nasional Berhad responsible for the said Fund and takes no responsibility for the contents of 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 THEMERITS AND RISKS OF THE INVESTMENT. IF INVESTORS ARE UNABLE TOMAKE 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 this Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Prospectus or the conduct of any other person in relation to the Fund.

ASN Sukuk has been certified as Shariah-compliant by the Shariah adviser appointed for the Fund.

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1. GLOSSARY OF TERMS / ABBREVIATIONS

In this Prospectus, except where the context otherwise requires, the following words and expressions shall bear the following meanings:

TERMS	DESCRIPTIONS
Act	The Capital Markets and Services Act 2007, including all amendments thereto and all regulations, rules and guidelines issued in connection therewith.
ASNB	Amanah Saham Nasional Berhad, (Registration No. 197901003200 (47457-V)).
ASNB Islamic Funds	ASNB's Islamic funds approved by the SC including the Fund.
ASNB Shariah Manual	A manual that has been constructed specifically for the purpose of guiding ASNB and the Investment Manager in the administration and management of ASNB Islamic funds' activities to be in accordance with the Shariah endorsed by the SAC and the Shariah Adviser.
Baitulmal	An Islamic treasury institution intended for community development as well as to provide for disadvantaged Muslims.
BNM	Bank Negara Malaysia.
BPAM	Bond Pricing Agency Malaysia Sendirian Berhad; (Registration No: 0667403U).
Bursa Malaysia	The stock exchange managed or operated by Bursa Malaysia Securities Berhad (Registration No. 200301033577(635998-W)).
Business Day	A day on which the Bursa Malaysia is open for dealings.
Cooling-Off Period	The cooling-off period for the Fund is six (6) Business Days commencing from the date of purchase i.e. the date on which the Manager receives the application form and the investment amount.
Cooling-Off Right	- The right of a Unit Holder who is investing in any Variable Price Fund managed by ASNB for the first time, to obtain a refund of his investment if he so requests within the Cooling-off Period. - The Cooling-off Right, however, does not extend to a corporation or institution, the staff of ASNB or persons registered with the body approved by the SC to deal in unit trust funds. - The amount must be refunded within seven (7) business days of receipt of the cooling-off application by ASNB.

TERMS	DESCRIPTIONS
Cut-off time	The time by which requests for Unit (as defined herein) purchases or repurchases by investors are accepted each day up to the Fund's dealing cut-off time and are processed using the same day-end's NAV per Unit prices.
Deed	The deed for the Fund and any other supplemental deeds that may be entered into between the Manager and the Trustee and registered with the SC.
Deposits	Money placed with financial institutions in fixed deposit or current account.
Distribution Channel	An institution, corporation or an organization that is appointed by ASNB for the purpose of marketing and distributing the Fund in Malaysia and outside Malaysia as allowed by the applicable laws.
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.
Fixed Price Funds	Any fixed price unit trust fund managed by ASNB namely, Amanah Saham Bumiputera, Amanah Saham Bumiputera 2, Amanah Saham Bumiputera 3-Didik, Amanah Saham Malaysia, Amanah Saham Malaysia 2-Wawasan, or Amanah Saham Malaysia 3, and will include any fixed price funds managed by ASNB in the future.
Forward Price Fund	Any forward price unit trust fund managed by ASNB namely, ASN Equity 5, ASN Sara (Mixed Asset Conservative) 2, ASN Imbang (Mixed Asset Balanced) 3 Global, ASN Equity Global, ASN Sukuk, or ASN Equity Malaysia, and will include any forward price funds managed by ASNB in the future.
Forward Pricing	The price of a Unit that is the NAV per Unit calculated at the next valuation point after an instruction or a request is received by the Manager.
Fund	ASN Sukuk.
Guidelines	Guidelines on Unit Trust Funds issued by the SC as may be amended from time to time.

TERMS	DESCRIPTIONS
Historical Price Funds	Any historical price unit trust fund managed by ASNB namely, Amanah Saham Nasional, ASN Equity 2, ASN Equity 3, ASN Imbang (Mixed Asset Balanced) 1, ASN Imbang (Mixed Asset Balanced) 2, or ASN Sara (Mixed Asset Conservative) 1, and will include any historical price funds managed by ASNB in the future.
Historical Pricing	The price of a Unit that is the NAV per Unit calculated at the valuation point before an instruction or request is received by the Manager.
Long-term	A period of more than five (5) years.
Islamic Deposit	Money placed with licenced financial institutions in accordance with Shariah Principles and the Islamic Financial Services Act 2013.
Manager / Management Company	ASNB being the Manager of ASN Sukuk.
Maybank Islamic	Malayan Banking Islamic Berhad (Registration No:200701029411 (787435- M)).
Maybank 1 Month FD-i rate	Maybank 1 Month Islamic Fixed Deposit-i rate.
Medium-term	A period of three (3) to five (5) years.
Minimum Initial Investment	The minimum amount that an eligible investor shall purchase as an initial investment in the Fund.
Net Asset Value (NAV)	The NAV is determined by deducting the value of the Fund's liabilities from the value of the Fund's assets, at the Valuation Point.
NAV per Unit	The NAV of the Fund divided by the UIC (as defined herein).
PNB / Investment Manager	Permodalan Nasional Berhad (Registration No. 197801001190 (38218-X)), the holding company of ASNB, and the Investment Manager of the Fund.
RF BPAM Sukuk Index	Refinitiv BPAM Sukuk Index.
RM and Sen	The legal currency of Malaysia.
SAC	The Shariah Advisory Council of the SC.
Shariah Adviser	- The Shariah Adviser for ASNB Islamic Funds. - Prof. Dr. Mohamad Akram Bin Laldin - Dato' As-Sheikh Haji Nooh Bin Gadot - Prof. Emeritus Dato' Paduka Dr. Mahmood Zuhdi Bin Haji Abd. Majid - Dr. Aida Binti Othman - Encik Wan Abdul Rahim Kamil Bin Wan Mohamed Ali

TERMS	DESCRIPTIONS
SC	The Securities Commission Malaysia.
Shariah	The Shariah rulings, principles, parameters, and decisions of Islamic law as interpreted, ascertained, determined, or pronounced by the SAC and/or the Shariah Adviser respectively. Accordingly, as permitted by the Deed, “Shariah- compliant” shall mean subject to, in accordance with and compliant to such rulings and decisions of SAC or/and Shariah Adviser.
sukuk	Certificates of equal value which evidence undivided ownership or investment in the assets using Shariah principles and concepts. For local sukuk, it must also comply with Shariah principles and concepts endorsed by the SAC.
Tax	Any tax imposed by the Government of Malaysia from time to time.
Trustee	AmanahRaya Trustees Berhad (Registration No. 200701008892 (766894-T)).
Unit Holder / Registered Holder	The person registered for the time being as a holder of Units in ASN Sukuk, in accordance with the provisions of the Deed of ASN Sukuk.
Unit(s)	Units of the Fund.
UIC	Units in circulation where Units of the Fund created and fully paid.
Valuation Point	Valuation point refers to such a time(s) on a Business Day or may be decided by the Manager where in the NAV of the Fund is calculated.
Variable Price Funds	Any variable price unit trust fund managed by ASNB namely, Amanah Saham Nasional, ASN Equity 2, ASN Equity 3, ASN Equity 5, ASN Imbang (Mixed Asset Balanced) 1, ASN Imbang (Mixed Asset Balanced) 2, ASN Imbang (Mixed Asset Balanced) 3 Global, ASN Sara (Mixed Asset Conservative) 1, ASN Sara (Mixed Asset Conservative) 2, ASN Equity Global, ASN Sukuk, or ASN Equity Malaysia, and will include any variable price funds managed by ASNB in the future.

Definitions or meanings of words not otherwise expressed above shall follow the meaning or interpretation as ascribed in the Guidelines and any other relevant laws governing unit trust funds.

2. CORPORATE DIRECTORY

MANAGER/MANAGEMENT COMPANY	
Company	Amanah Saham Nasional Berhad (Registration No.197901003200 (47457-V))
Registered Office	4th Floor, Balai PNB, 201-A, Jalan Tun Razak, 50400 Kuala Lumpur - Telephone +603 2050 5861
Business Office	- ASNB Main Office, 1st Floor, Balai PNB, 201-A, Jalan Tun Razak, 50400 Kuala Lumpur - Customer Service Centre Telephone: +603 7730 8899
Email	asnbcare@pnb.com.my
Website	www.asnb.com.my
myASNB Portal	www.myasnb.com.my

TRUSTEE	
Company	AmanahRaya Trustees Berhad (Registration No. 200701008892(766894-T))
Registered Office	- Level 11, Wisma AmanahRaya, No. 2, Jalan Ampang, 50508 Kuala Lumpur - Telephone: +603-2055 7388
Business Office	- Level 14, Wisma AmanahRaya, No. 2, Jalan Ampang, 50508 Kuala Lumpur - Telephone: +603-2036 5129
Email	art@arb.com.my
Website	www.artrustees.my

TRUSTEE DELEGATE - CUSTODIAN

Company	BNP Paribas Securities Services (T08FC287D) (operating through its registered Singapore branch office)
Business Office	20 Collyer Quay #01-01, Singapore 049319
Website	www.bnpparibas.com.sg

SHARIAH ADVISER FOR THE FUND

Secretariat Office	- Shariah Management Department, - Level 38, Menara PNB, 201-A Jalan Tun Razak 50400 Kuala Lumpur.
Contact Person	Dr. Ahmad Basri bin Ibrahim Head of Shariah Management Department Email : ahmadbasri@pnb.com.my Telephone: +603-2050 5651
Shariah Adviser	(a) Prof. Dr. Mohamad Akram bin Laldin – Chairman (b) Dato' As-Sheikh Haji Nooh bin Gadot (c) Prof. Emeritus Dato' Paduka Dr. Mahmood Zuhdi bin Haji Abd. Majid (d) Dr. Aida binti Othman (e) Encik Wan Abdul Rahim Kamil bin Wan Mohamed Ali

For further details on the Manager, the Trustees and the Shariah Adviser, you may access their respective website.

3. DETAILED INFORMATION OF THE FUND

3.1 INFORMATION OF ASN SUKUK

Category	Type	Financial Year End	Launch Date
Sukuk	Income	30 June	25 November 2022
Initial Offer Period (IOP)	Twenty-one (21) days from the date of launching of the Fund.		
Initial Unit Price	RM1.00 per Unit within IOP.		
Base Currency	RM		
Pricing	The price of the Fund is based on the NAV per Unit that is determined based on forward pricing. However, a sales charge of up to 2.0% of the NAV per Unit is imposed, at the Manager's discretion, subject to approval from the Trustee.		
Investment Objective	The objective of the Fund is to provide Unit Holders with stable income and capital appreciation opportunities through investment mainly in a portfolio of sukuk and other Islamic liquid assets. <i>Note: Any material changes to the investment objective of the Fund would require Unit Holders' approval.</i>		
Investment Policy and Principal Investment Strategy	- The investment policy of ASN Sukuk is to primarily invest in RM-denominated sukuk in Malaysia whether issued by the Malaysian government or private companies. The balance will be invested in Islamic Deposit, Islamic collective investment scheme and other Islamic money market instruments as permitted by the Deed. The Fund may also invest in a non-RM denominated investment should the opportunity arise. - In line with its objective, the investment strategy of the Fund is to invest in a diversified portfolio of Islamic fixed income instruments consisting principally of sukuk, which aims to provide a regular stream of income. Investment in sukuk shall be predominantly within investment grades and issued by credit-worthy issuers, and the Fund may also invest in unrated sukuk that has been carefully assessed as deemed suitable by the Manager. - The manager may adopt active portfolio strategy and the frequency of trading of securities would depend on price, profit rate, credit assessment of the sukuk and also very much depending on market opportunities. - The manager may adopt appropriate tactical/short term positioning to take opportunities from potential capital appreciation largely arising from interest rate movements. - The Fund may undertake securities lending upon pre-consultation with and clearance of the Risk Management Policy by the SC.		

Asset Allocation Strategy	▪ The Fund seeks to achieve its objectives by investing in the following: (a) Minimum of 80% of its NAV in sukuk inclusive Government Investment Issue; (b) Maximum of 20% of its NAV in Islamic money market instruments and other permitted investment; and (c) Maximum of 20% of its NAV in unrated sukuk.
Investment selection	▪ Before constructing the Fund's portfolio, the fund manager will analyse the macro environment to enhance risk-adjusted returns by identifying market cycles, and value trading opportunities. ▪ The fund manager will then focus on stable, above-average returns (relative to the Fund's performance benchmark) from fundamental research which includes analysis of the credit worthiness of the issuers, yields spread, liquidity, maturity, and coupons such that the risks taken are commensurate with the expected returns. ▪ The fund manager will also seek to diversify the investments of the Fund across sectors and individual sukuk to mitigate the risk profile of the portfolio.
Temporary Defensive Position	▪ When deemed appropriate and to the benefit of the Fund, the Fund may take temporary defensive positions such as reducing exposure in respective Permitted Investments (as defined herein) and increasing the exposure in cash or cash equivalent in response to adverse economic and market conditions.
Investor's Profile	▪ The Fund is suitable for investors with the following profile: (a) Investors with conservative risk profile; (b) Investors with a preference for stable income over the medium to long-term investment horizon that conforms to the Shariah principles; (c) Investors who understand the risk and returns principles of investing in the local and global capital market.
Eligibility	▪ Malaysian individual who is 18 years and above. ▪ Guardian from the above category applying for units as the guardian for a Malaysian minor who holds a valid birth certificate but is below 18 years of age*. ▪ Corporate or unincorporated bodies, statutory bodies or institutions as may be approved by the Manager. Note: * The Manager has the absolute discretion to change the eligibility age of minors subject to provisions of the Deed and approval from the Trustee.

Distribution Policy	▪ Distribution (if any) will be made annually, subject to approval from Trustee. Note: Please refer to Section 5.11 for details.				
Performance Benchmark	▪ The performance of the Fund is benchmarked against the performance of other instruments that have similar features with that of the Fund. ▪ The benchmark of the Fund is a composite benchmark index comprising: <table border="1"> <tr> <td>90%</td><td>RF BPAM Sukuk Index (source: www.bpam.com.my)</td></tr> <tr> <td>10%</td><td>Maybank 1 Month Fixed Deposit (FD)-iRate (source: www.maybank2u.com.my)</td></tr> </table> ▪ The benchmark is constructed in line with the objectives of the Fund as well as the market it operates in, where over the long-term, the Fund is expected to have risk-return profile similar to the above. Note: The risk profile of the Fund is different from the risk profile of the performance benchmark.	90%	RF BPAM Sukuk Index (source: www.bpam.com.my)	10%	Maybank 1 Month Fixed Deposit (FD)-iRate (source: www.maybank2u.com.my)
90%	RF BPAM Sukuk Index (source: www.bpam.com.my)				
10%	Maybank 1 Month Fixed Deposit (FD)-iRate (source: www.maybank2u.com.my)				
Principal Risks of Investing	▪ Capital Market Risk ▪ Profit Rate Risk ▪ Credit Risk/Default Risk ▪ Shariah non-Compliance Risk ▪ Sector Specific Risk ▪ Securities Specific Risk ▪ Concentration Risk ▪ Country Risk ▪ Currency Risk Please refer to Section 3.3.3 for details.				
Risk Management Strategies	▪ The Fund's risks are managed through diversification across sub-asset class such as Government or Corporate sukuk, sectors, ratings and tenors. The risks are mitigated through extensive research prior to investment decision, monitoring on the exposure limit on the sectoral and securities weightings depending on the economic conditions. In addition, the Fund will maintain optimal cash levels to meet redemption and liquidity needs. Note: Investment in the Fund is not the same as placement in a deposit with financial institutions. There are risks involved and investors should rely on their own evaluation to assess the merits and risks when investing in the Fund.				

Permitted Investments	▪ Unless otherwise prohibited by the relevant authorities or any relevant laws and provided always that there are no inconsistencies with the objective of the Fund, the Fund is permitted to invest in the following (a) RM-denominated sukuk and non-RM denominated sukuk; (b) Islamic money market instruments; (c) Placements in Islamic deposits; (d) Islamic collective investment schemes; and (e) Any other Shariah-compliant investment permitted by the SC or other regulatory bodies which is in line with objective of the Fund. <i>Note: At all times the Fund shall invest in activities and instruments that are allowed under Shariah principles and shall not invest in activities and instruments that are prohibited by Shariah principles based on the parameters of the SAC.</i>		
Investment Restrictions and Limits	Investment Exposure / Spread / Concentration	Limits	Exception / Condition
	Investment Exposure Limits Notes : <i>Since this is an Islamic fund, all the conventional products mentioned would refer to Islamic or Shariah-compliant products.</i>		
	(1) Paragraph 3 Schedule B The aggregate value of the Fund's investments in: a) Transferable securities that are not traded or dealt in or under the rules of an eligible market; b) Collective investment schemes (CIS) that do not comply with *paragraphs 6.11(a), (b) and (c) of the Guidelines; and c) Other securities	15% of the Fund's NAV	Subject to a maximum limit of 10% of the Fund's NAV in a single issuer/CIS

Investment Spread Limits			
(2)	Single Issuer Limit Paragraph 2 Schedule B – Appendix II The value of the Fund's investments in transferable securities and money market instrument issued by any single issuer	20% of the Fund's NAV	The value of the Fund's investments in instruments in Item (1) by the same issuer must be included in calculation.
		30% of the Fund's NAV	Paragraph 4 Schedule B - Appendix II If the debt security is rated by any Malaysian or global rating agency to have the highest long-term credit rating.
		35% of the Fund's NAV	Paragraph 7 Schedule B - Appendix II Where the debt securities or money market instruments are issued, 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.
		100% of the Fund's NAV	Paragraph 8 Schedule B - Appendix II Where the issuer is, or is guaranteed by, a foreign government,

				government agency, or supranational that has a minimum long-term credit rating ("Sovereign Rating") as follows: a) Top two credit rating (including gradation and subcategories) provided by a rating agency; or b) Within top three and top four credit rating (including gradation and subcategories) provided by a rating agency, subject to compliance with paragraph (9). Paragraph 9 Schedule B - Appendix II Where the Sovereign Rating of the issuer or guarantor falls within the range specified in Paragraph 8(b) Schedule B Appendix II of the Guidelines, the country-specific government bond or fixed income fund must ensure: a) The foreign government, government agency, or supranational is
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				listed on the list of acceptable issuers or guarantors; and b) The fund invests in at least six (6) different issues, with investment in any one (1) issue not exceeding 30% of the Fund's NAV.
	(3)	Paragraph 6 Schedule B The value of the Fund's placement in deposits with any single financial institution.	20% of the Fund's NAV	Paragraph 13 Schedule B The single financial institution limit does not apply to placements of deposits arising from: a) Subscription held for the settlement of monies received prior to the commencement of investment by the Fund; b) 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 Unit Holders; or c) Monies redemption or other payment

				obligations, where the placement of deposits with various financial institutions would not be in the best interest of the Unit Holders.
	(4)	Single Issuer Aggregate Limit Paragraph 7 Schedule B The aggregate value of the Fund's investments in, or exposure to, a single issuer 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% of the Fund's NAV	The value of the Fund's investments in instruments in Item (1), issued by the same issuer must be included in the calculation.
			30% of the Fund's NAV	Paragraph 5 Schedule B - Appendix II Where the single issuer limit i.e. Item (2) is increased to 30% pursuant to Paragraph 4 Schedule B Appendix of the Guidelines.

			35% of the Fund's NAV	Paragraph 12 Schedule B Where the single issuer limit i.e. Item (2) is increased to 35% of the Fund's NAV, subject to the group limit in item (7) do not exceed 35% of the Fund's NAV.
	(5)	Paragraph 8 Schedule B The value of the Fund's investments in units or shares of a CIS, provided that the CIS complies with: a) *paragraph 6.11(a); b) *paragraph 6.11(b); or c) *paragraph 6.11(c), excluding a CIS that invests in real estate.	20% of the Fund's NAV	-
	(6)	Paragraph 9 Schedule B The value of the Fund's investments in units or shares of a CIS that invests in real estate pursuant to Para 6.11(c).	15% of the Fund's NAV	-

	(7) Group Limit Paragraph 6 Schedule B – Appendix II The value of the Fund's investments in transferable securities and money market instruments issued by any group of companies.	30% of the Fund's NAV	The value of the Fund's investments in instruments in Item (1) issued by the issuers within the same group of companies must be included in the calculation.
		35% of the Fund's NAV	Paragraph 12 Schedule B Where the single issuer limit i.e. Item (2) is increased to 35% of the Fund's NAV.
	(8) Paragraph 6.42(c) Cash Borrowing.	10% of the Fund's NAV	-
	Investment Concentration Limits		
	(9) Paragraph 15 Schedule B The Fund's investments in debt securities issued by a single issuer.	20% of securities issued	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.
	(10) Paragraph 16 Schedule B The Fund's investments in money market instruments issued by any single issuer	10% of instruments issued	This limit does not apply to money market instruments that do not have a pre-determined issue size .
	(11) Paragraph 17 Schedule B The Fund's investments in CIS.	25% of units/shares issued	-

Notes:

Paragraph 6.11 of the Guidelines: A fund may invest in other CIS that fall within the following categories:

- a) A CIS authorised or recognised by the SC; or
- b) A CIS that meets the following criteria:
 - i. The CIS is constituted and regulated in a jurisdiction where the laws and practices provide the level of investor protection that is at least equivalent to that offered in Malaysia;
 - ii. The rules on investments, borrowing and lending are substantially similar to the requirements in these Guidelines. This would exclude hedge funds;
 - iii. The assets of the CIS are managed by an entity which is approved, authorised or licensed by a securities regulator to conduct fund management activities; and
 - iv. The business of the CIS is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period; or
- c) A CIS that meets the following criteria:
 - i. The CIS invests in permissible investments under paragraph 6.05(a) to (e), physically-backed metal Exchange-Traded Fund (ETF) that comply with paragraph 6.12, or real estate;
 - ii. The CIS meets the criteria imposed on transferable securities as prescribed under paragraph 6.09;
 - iii. The units or shares in the CIS are listed for quotation and traded on a stock exchange that is an eligible market; and
 - iv. The CIS is not an inverse or leveraged product.

3.2 GEARING POLICY

The Fund is not permitted to borrow cash or other assets including the borrowing of securities within the meaning of the Securities Borrowing and Lending Guidelines in connection with its activities. However, the Fund may seek an Islamic financing facility for the purpose of meeting repurchase requests. Such financing is subjected to the following:

- (a) The Islamic financing facility is only on a temporary basis and that the Islamic financing facility is not persistent;
- (b) The tenure of the Islamic financing facility should not exceed one month;
- (c) The aggregate of the Islamic financing facility should not exceed ten per centum (10%) of NAV at the time the facility is incurred; and
- (d) The Fund may only seek Islamic financing facility from licensed financial institutions.

3.3 POTENTIAL RISKS ASSOCIATED WITH THE FUND

At all times, the Fund is subjected to some risks. Many factors influence the performance of the Fund, including the capability of the Investment Manager. No matter how experienced the Investment Manager may be, some factors which affect the value of investments may be beyond its control. It is important to note that investors should be prepared to accept a degree of risk. The risks are as stated in Sections 3.3.2 and 3.3.3.

3.3.1 Control of Risks

The Manager will take reasonable steps to ensure that the above potential risks are managed by:

- (a) Continuous monitoring of factors that could affect market and liquidity, including but not limited to economics, countries, industries and companies' news and performance, as well as investors sentiment;
- (b) Determining the optimal asset allocation strategy;
- (c) Adhering to the Fund's investment objectives and investment restrictions and limits on concentration of investments; and
- (d) Effective portfolio investment risk monitoring via a clear governance structure and escalation procedures.

Note: *Any investment carries with it an element of risk. Therefore, prior to making an investment, prospective investors should consider the following risk factors in addition to the other information set out in this Prospectus.*

3.3.2 General Risks of Investing in Unit Trust Fund

(a) Manager's Risk	▪ This risk refers to the day-to-day management of the fund by the Manager which will impact the performance of the fund. For example, investment decisions undertaken by the Investment Manager, as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the Deed, relevant law or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the performance of the Fund.
(b) 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 unfavorable prices. ▪ The risk may be mitigated by actively managing asset allocation of the Fund and maintaining sufficient level of Islamic liquid assets to meet anticipated redemption by Unit Holders. Note: <i>This risk disclosure may not be applicable to all types of assets. Some assets do not qualify under this risk disclosure. For example, Islamic deposits which are not traded in the market.</i>

(c) Non-Compliance Risk	▪ The operations and administration of a fund are governed by the Deed and all applicable laws and regulations. Non-adherence may potentially affect the performance of Fund. ▪ The risk is mitigated by imposing stringent internal controls and ensuring that compliance monitoring is undertaken through regular audit and cross departmental checking.
(d) Operational Risk	▪ The risk of loss to Unit Holders arising from inadequacies in, or failures of, our internal procedures and controls for monitoring and quantifying the risks and contractual obligations associated with investments in a Fund. ▪ Although the occurrence of such events is very unlikely, the Manager seeks to mitigate the risk through the establishment of systematic operational procedures and stringent internal controls.
(e) Loan / Financing Risk	▪ The risk occurs when a unit holder takes a loan/ financing provided by a financial institution to finance the purchase of units. Investing in a fund using borrowed money is riskier than investing using a Unit Holder's own money. The inherent risk of investing with borrowed money includes the ability to service loan/ repayments/ payments if the return from the investment in a unit trust fund is not commensurate with the interest expenses/profit of the loan/financing. Similarly, if the Units are collateralized against the loan/financing, the unit holder may lose the Units if he/she is unable to service the loan/financing.
(f) Inflation / Purchasing Power Risk	▪ This is the risk that investors' investment in the Unit trust Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce investors' purchasing power even though the value of the investment in monetary terms has increased.

(g) Force Majeure Risk

- It is the risk that there will be an event beyond the control of the Manager.
- This risk may have an adverse effect on the performance of the Fund as the Manager could be prevented from complying with its obligations as prescribed in this Prospectus. The Fund may then be unable to meet its objective in providing capital growth opportunities to the Unit Holders.
- Force majeure risk includes but is not limited to:
 - a) acts of God (such as, but not limited to, fires, explosions, earthworks, drought, tidal waves and floods);
 - b) war, hostilities (whether war be declared or not), invasion, act of foreign enemies, mobilization, requisition, embargo, rebellion, revolution, insurrection or military or usurped power or civil war;
 - c) contamination by radioactivity from any nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel, radioactive toxic explosive, or other hazardous properties of any explosive nuclear assembly or nuclear component of such assembly;
 - d) riot, commotion, strikes, go slows, lock outs or disorder, unless restricted to employees of the Manager;
 - e) acts or threats of terrorism;
 - f) pandemics, epidemics, local disease outbreaks, public health emergencies, quarantines, government restrictions in the form of movement control orders (whether conditional or not), lockdowns (whether full, partial or conditional), or any other restricted movement order as may be implemented by the government from time to time; and
 - g) any other emergency circumstances that materially and adversely prevent the Manager from operating normally.
- The Manager will undertake appropriate action to mitigate the risks, which among others includes insurance coverage and alternate recourse to resume operations in the event of the above-mentioned risks.

3.3.3 Specific Risks of Investing in the Fund

(a) Capital 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. ▪ The Fund investment objective is to provide Unit Holders with capital growth opportunities primarily through sukuk investment in Malaysia. Therefore, fund's investments may be affected by changes in the economic and political climate or other developments in the law or regulations of Malaysia. ▪ The Manager will manage the risks by investing in securities within the approved investment limits and take reasonable steps in monitoring and rebalancing the investment portfolio by actively managing the asset allocation through comprehensive assessment process.
(b) Profit Rate Risk	▪ Profit rate risk refers to the impact of profit rate changes on the valuation of sukuk. When profit rates rise, sukuk prices generally decline, and this may lower the market value of a fund's investment in sukuk. The reverse may apply when profit rates fall. ▪ In order to mitigate profit rate risk, the Manager will need to manage the debt portfolio taking into account the coupon rate and time to maturity of the sukuk.
(c) Credit Risk / Default Risk	▪ Credit risk relates to the creditworthiness of the issuers of the sukuk and Islamic money market instruments and their expected ability to make timely payment of profit and/or principal. ▪ In the case of rated Islamic fixed income instruments, this may lead to a credit downgrade. ▪ Default risk relates to the risk that an issuer of an Islamic fixed income security, Islamic money market instrument and Islamic derivatives either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the Islamic fixed income instruments, Islamic money market instrument and Islamic derivatives. This could adversely affect the value of the Fund. ▪ The Manager will take reasonable steps to ensure that the credit risk/default risk is managed by ensuring the Fund invest in Islamic fixed income instruments and Islamic money market instruments issued by fundamentally strong issuers with good credit worthiness that can ensure timely payment of their obligations.

(d) Shariah Non-compliance Risk	▪ This refers to the risk of the Fund not complying with the Shariah. The Manager has developed the ASNB Shariah Manual which shall be referred to by the Manager. ▪ The appointed Shariah Adviser for the Fund would be responsible for ensuring that the Fund is managed and administered in accordance with the ASNB Shariah Manual. <i>Note: The Fund can only invest in Shariah-compliant instruments, non-compliance may adversely affect the NAV of the Fund when the rectification of non-compliance results in losses.</i>
(e) Sector Specific Risk	▪ If the Fund invests in a specific sector, the Fund is vulnerable to factors associated with the particular sector. Therefore, any material changes associated with the sector such as adverse developments in political, economic and competition may have an adverse impact on the value of the Fund. ▪ The Manager will take reasonable steps in ensuring the risk is managed by monitoring and determining effective asset allocation, adhering to the Fund's investment objectives and investment restrictions and limits and escalating and reporting investment matters to the Investment Committee of the Fund.
(f) Securities Specific Risk	▪ The price of particular securities may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such securities will adversely affect the Fund's NAV. ▪ The Manager will manage the risk by investing in securities within the approved investment limits across market sectors so that the volatility of the value of the investments could be mitigated. It can also be mitigated through having robust and disciplined valuation methodologies and adequate portfolio diversification.
(g) Concentration Risk	▪ Concentration risk is the probability of loss arising from lack of diversification, investing too heavily in one (1) industry, one (1) geographic area or one (1) type of security. The Fund is exposed to concentration risk when the Fund is concentrated to high levels of individual stock and sector exposures. Excessive concentration could also give rise to liquidity risk or stock specific risk losses. ▪ Concentration risk could be mitigated by investing into securities in different sectors or different geographical locations within the approved limits. Although the Fund may have the ability to diversify, there may be circumstances that it may hold concentrated position. The risk could also be mitigated through close monitoring of investments in which exposure is deemed as highly concentrated.

(h) Country Risk	▪ The Fund may be affected by risks of the countries in which they invest. Such risks may be caused by, but not limited to changes in the country's economic fundamentals, social and political climate, restriction on currency movements, foreign investment policies or other developments in the law or regulations of the countries in which the Fund invests in. For example, the deteriorating economic condition of such countries may adversely affect the value of the Fund's investments, which in turn may cause the net asset value of the Fund to fall. ▪ To mitigate this risk the Investment Manager will conduct thorough research and analysis on the political and economic conditions of the country in which the Fund is invested and diversify its investments in various countries within the limits of the mandate.
(i) Currency Risk	▪ If the Fund invests in foreign currency or asset denominated in foreign currency, the Fund may be exposed to currency fluctuation risk. Fluctuations in foreign exchange rates will affect the value of the Fund's foreign investment upon conversion to Ringgit Malaysia and subsequently impact the value of the Unit Holders' investment in the Fund. ▪ To mitigate such risk, the Fund may undertake hedging strategies that are not speculative in nature, from time to time when deemed necessary.

These risks are reported to the relevant committees of the Board of Directors of PNB and ASNB on regular basis.

Investors are reminded that the above list of risk may not be exhaustive and if necessary, they should consult their adviser(s), e.g. their bankers, lawyers, stockbrokers or independent professional advisers for a better understanding of the risks.

3.4 ADDITIONAL INFORMATION IN RELATION TO ASNB SHARIAH MANUAL

The ASNB Shariah Manual is referred to by the Shariah Adviser in determining the Shariah-compliant status of ASNB Islamic funds including the Fund:

- 1) ASNB Islamic funds must at all times and all stages of its investment comply with the Shariah as resolved by the SAC and, where applicable the SAC of BNM and/or the Shariah Supervisory Board of relevant Islamic Indices and/or any Shariah standard setting bodies and/or any relevant regulatory bodies. As for instruments which have not been classified as Shariah-compliant by the SAC and, where applicable the SAC of BNM and/or the Shariah Supervisory Board of relevant Islamic Indices and/or any Shariah standard setting bodies and/or any relevant regulatory bodies, the status of the instruments shall be determined by the Shariah Adviser.

- 2) In accordance with the ASNB Shariah Manual, the assets of ASNB Islamic funds shall be as follows:

(a) Shariah-compliant Equity

- i. For investment in domestic listed securities on Bursa Malaysia, the Investment Manager shall invest based on the List of Shariah-compliant Securities (“List”) issued by the SAC twice a year;
- ii. For investment in securities traded on an exchange outside Malaysia, the Investment Manager must invest only in securities endorsed by the Shariah Adviser or by any international Shariah standard setting body; and
- iii. For investments in initial public offering (“IPO”), unlisted securities and foreign securities that have yet to be determined the Shariah status, the Investment Manager is encouraged to adopt the SC’s Shariah-compliant securities screening methodology in determining the Shariah status, up until the Shariah status of the respective securities are determined by the SAC, and/or the Shariah Adviser, and/or the Shariah Supervisory Board of relevant Islamic Indices and/or any relevant regulatory bodies. The said screening methodology shall refer to the SAC’s resolutions as per readily available in SC’s website. The investment shall be endorsed by the Shariah Adviser.

(b) Sukuk

- i. For investments in domestic ringgit-denominated sukuk, the Investment Manager shall invest based on the list of sukuk on the SC or BNM websites;
- ii. For investments in foreign currency denominated sukuk, the Investment Manager must invest only in sukuk endorsed by the Shariah Adviser and/or by any international Shariah standard setting body and/or any relevant regulatory bodies; and
- iii. For investments in sukuk other than specified under item i and ii above, the Shariah Adviser is to review the information memorandum or the prospectus of the sukuk for details regarding the Shariah approvals and fatwa certifying such sukuk. The investment shall be endorsed by the Shariah Adviser.

(c) Islamic Money Market Instruments

The placements shall be made in Islamic money market instruments issued by financial institutions licensed by BNM or any relevant regulatory bodies.

(d) Islamic Deposits

The placements shall be made in Islamic deposits and Islamic investment accounts with financial institutions licensed by BNM or any relevant regulatory bodies.

(e) Islamic Collective Investment Scheme

The ASNB Islamic funds shall invest only in Islamic collective investment schemes which must be regulated and registered or authorised or approved by the relevant authority in its home jurisdiction.

- (f) Any other form of Shariah-compliant assets/instruments as may be permitted by the SAC and/or the Shariah Adviser from time to time.**

- 3) ASNB Islamic funds may only use derivatives for hedging purposes. Such derivatives must be Islamic derivatives. However, if Islamic derivatives are not available or are not commercially viable, ASNB Islamic funds may use conventional derivatives subject to prior written approval from the Shariah Adviser being obtained.

Shariah-compliant Investment Processes and Procedures

- 1) The ASNB Islamic funds will undertake a Shariah screening process to identify new Shariah-compliant investments. Once the investment has been determined to be Shariah-compliant, the Investment Manager shall conduct fundamental analysis and valuation on the investment to determine the suitability of the Shariah-compliant investment for inclusion into the universe of securities. Existing Shariah-compliant investments will also undergo a periodic Shariah screening review. Investments that do not pass the screening will be removed from the universe of securities at the next review, provided that ASNB Islamic funds' have no position in the said investments.
- 2) Based on the respective ASNB Islamic funds' investment objective and strategy, Shariah-compliant investments will be included to construct the ASNB Islamic funds' portfolio accordingly. The strategy would be based on factors such as macro, geo-political and capital markets outlook, amongst others. The Investment Manager shall actively monitor, amongst others, economic, industry, earnings and company performance trends and developments to make appropriate investment decisions for the ASNB Islamic funds.

Cleansing Process for Unintentional Mistake of Investing in Shariah Non-compliant Investment

- 1) The said investment shall be disposed off or withdrawn with immediate effect if possible; or otherwise within one (1) calendar month of knowing the status of the investment irrespective of market price considerations.
- 2) In the event that the investment resulted in gains (through capital gain and/or income), the gains have to be channelled to Baitulmal and/or charitable bodies approved by the Shariah Adviser. The ASNB Islamic funds have the right to retain only the investment cost.
- 3) For the avoidance of doubt, income shall include both received before and after disposal of the Shariah non-compliant investment. This cleansing process (i.e., channelling of gains from wrongful investment to Baitulmal and/or approved charitable bodies) shall be carried out within two (2) calendar months from the said disposal or withdrawal date.
- 4) If the disposal of the securities/investment resulted in losses to the ASNB Islamic funds, the losses are to be borne by the Investment Manager by ensuring the loss portion to be restored and returned to ASNB Islamic funds.

Cleansing Process for Reclassification of the Shariah Status of ASNB Islamic Funds Investments

- 1) These refer to instruments which were earlier classified as Shariah-compliant but due to certain factors such as changes in the companies' business operations and financial positions, are subsequently reclassified as Shariah non-compliant.

- 2) In respect of Shariah-compliant instruments that have been reclassified as Shariah non-compliant instruments on the date of announcement/review takes effect, the timing for the disposal of such instruments are as follows:
 - (a) If the market price of the said instruments exceeds or equal to the investment cost, the Investment Manager shall dispose the Shariah non-compliant instruments. Any dividends received up to date of the announcement/review and capital gains arising from the disposal of Shariah non-compliant instruments on the date of the announcement/review can be kept by the Investment Manager. As for the dividends received and excess capital gain from the disposal of Shariah non-compliant instruments after the date of the announcement/review, the said dividends and capital gains should be channeled to Baitulmal and/or charitable bodies as advised by the Shariah Adviser.
 - (b) If the market price of the said instruments is below the investment cost, the Investment Manager is allowed to hold the investment in the Shariah non-compliant instruments until the Investment Manager receive the investment cost. It is also permissible for the Investment Manager to keep the dividends received during the holding period, until such time when the total amount of dividends received, and the market value of the Shariah non-compliant instruments held equal the investment cost. At this stage, the Investment Manager is advised to dispose their holding.
- 3) During the holding period of the Shariah non-compliant instruments, the Investment Manager are allowed to subscribe the following securities:
 - (a) Any issue of new securities by the issuer whose Shariah non-compliant instruments are held by the Investment Manager, where the Investment Manager subscribe to the right issues, bonus issues, special issues and warrants (excluding securities whose nature is Shariah non-compliant instruments e.g., loan stocks).
 - (b) Shariah-compliant instruments of other issuers offered by the issuer whose Shariah non-compliant instruments are held by the Investment Manager.
- 4) In the event the Investment Manager manages to recover the investment cost by taking the actions as specified in Paragraph 3 (a) and (b), the Investment Manager must expedite the disposal of the Shariah non-compliant instruments held.

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/or the Shariah Supervisory Board of relevant Islamic Indices. As for instruments which have not been classified as Shariah-compliant by the SAC of the SC and, where applicable the SAC of BNM and/or the Shariah Supervisory Board of relevant Islamic Indices, the status of the instruments has been determined by the Shariah Adviser.

Zakat for the Fund

The Fund does not pay zakat on behalf of both Muslim individuals and Islamic legal entities who are investors of the Funds. Thus, investors are advised to pay zakat on their own.

4. FEES, CHARGES AND EXPENSES

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

All fees and charges payable by the Fund and Unit Holders are subject to Tax and/or duties as maybe imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional fees, expenses, charges and/or taxes payable to and/or by the Fund as disclosed or illustrated.

4.1 CHARGES AND FEES DIRECTLY INCURRED BY UNIT HOLDERS WHEN PURCHASING OR REPURCHASING UNITS OF THE FUND

4.1.1 Sales Charge and Repurchase Charge

This table describes the charges that Unit Holder may **DIRECTLY** incur when purchasing (subscribe) or repurchasing (redeem) the Units of the Fund.

Sales Charge ¹	<u>During IOP:</u> Up to 2.0% of RM1.0000 Initial Unit Price is charged to Unit Holder. The sales charge is subject to Tax. <u>After IOP:</u> Up to 2.0% of NAV per Unit is charged to Unit Holder. The sales charge is subject to Tax.
Repurchase Charge ²	Nil

Note:

- The Manager may at its discretion lower the sales charge based on the size of investment, types of channel and/or other criteria as may be determined from time to time. Please refer to ASNB website at www.asnb.com.my and/or the respective channels for details on the fee imposed.*
- No repurchase charge is imposed for the repurchase of Units.*

Illustration on Sales Charge**Information**

Assuming the amount Unit Holder wish to invest ("investment amount") : RM10,000.00 in ASN Sukuk.

Price per Unit	: RM1.000
Sales charge	: 2%
Tax, (if applicable)	: Zero-rated

a) Investment amount	= RM10,000
b) Sales charge incurred	= $\frac{\text{Investment Amount}}{1 + \text{Sales Charge (\%)}} \times \text{Sales Charge (\%)}$
	= $\frac{\text{RM10,000}}{1 + 2\%} \times 2\%$
	= RM196.08

The rounding up of the NAV per Unit will be up to four (4) decimal places. The total amount paid will be subject to the rounding mechanism. Please note that the example above is for illustrative purpose only.

4.1.2 Transfer Fee

Unit Holder may transfer Units in the Fund to another Unit Holder, subject to payment of the transfer fee as shown in the table below and terms and conditions as determined by the Manager.

Transfer Fee

- **Up to RM15 per transaction.**

All fees and charges are subject to Tax which are payable by the Unit Holder. The Manager may at its discretion, lower or waive the fee based on any criterion as may be determined from time to time, and/or offer this facility via any other medium channel and/or determine the date of offer of the facilities. Unit Holders may refer to our website at www.asnb.com.my for further information on our products and services. Please refer to Section 5.9 for the transaction details.

4.1.3 Switching Fee

Unit Holder may switch investments between various funds managed by ASNB on any Business Day, subject to fees, terms, and conditions.

All fees and charges are subject to Tax which are payable by the Unit Holder. The Manager may at its discretion, lower or waive the fee based on any criterion as may be determined from time to time, and/or offer this facility via any other medium channel and/or determine the date of offer of the facility. Unit Holder may refer to our website www.asnb.com.my for further information on our products and services. Please refer to Section 5.8 for the transaction details.

Switch From	Switch To	
	Variable Price Funds	Fixed Price Funds
Variable Price Funds	The difference between sales charge of the Funds switched out, subject to the minimum charge of RM 25 per transaction.	Nil
Fixed Price Funds		Nil

4.2 CHARGES AND FEES INDIRECTLY INCURRED BY UNIT HOLDERS

4.2.1 Annual Management Fee of the Fund

The annual management fee is calculated and accrued daily and payable monthly to the Manager. The Manager is entitled to the following annual management fee:

- Up to a maximum of 0.75% per annum of the NAV of the Fund, calculated and accrued daily, as may be agreed between the Trustee and the Manager.
- The annual management fee may be subject to Tax.

Note: *The Deed of the Fund allows annual management fees not exceeding 1.5% of the NAV of the Fund, calculated and accrued daily, as may be agreed between the Trustee and the Manager.*

4.2.2 Annual Trustee Fee of the Fund

The annual Trustee fee is subject to the Deed of the Fund. The table below depicts the Trustee annual fee of the Fund:

- Up to 0.05% per annum of the NAV of the Fund, calculated and accrued daily.
- The annual Trustee fee may be subject to Tax.

Note: *The Deed of the Fund allows annual trustee fees not exceeding 0.05% of the NAV of the Fund, calculated and accrued daily, as may be agreed between the Trustee and the Manager.*

4.3 FUND'S OTHER EXPENSES

The Deed provides certain other fees and expenses to be paid out of the Fund. These include auditors' remuneration, valuation fee, custodian and other administration costs such as the printing of semi- annual and annual reports, distribution expenses, postage and other operating expenses. Statutory payments such as stamp duties and taxes imposed by any authority will also be paid by the Fund.

4.4 REBATES AND SOFT COMMISSIONS

A management company, fund manager, trustee or trustee's delegate should not retain any rebate from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in a fund's assets. Accordingly, any rebate or shared commission should be directed to the account of the fund concerned.

The Management Company or Fund Manager may retain goods and services (soft commissions) provided by any broker or dealer if the following conditions are met:

- (a) The soft commissions bring direct benefit or advantage to the management of the fund and may include research and advisory related services;
- (b) Any dealing with the broker or dealer is executed on terms which are the most favourable for the fund; and
- (c) The availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and the management company or fund manager must not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.

Soft commissions, may include, among others, entertainment allowance, travel, accommodation, and membership fee.

5. TRANSACTION INFORMATION

5.1 VALUATION FOR INVESTMENT

5.1.1 Valuation Basis

Types	Valuation
(a) Listed Sukuk	▪ Listed sukuk will be valued daily based on the last done market price. However, if:- (a) a valuation based on the market price does not represent the fair value of the listed sukuk, for example during abnormal market conditions; or (b) no market price is available, including in the event of a suspension in the quotation of listed sukuk for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, then the listed sukuk would be valued at fair value, as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation.
(b) Unlisted Sukuk Denominated in RM	▪ Investments in unlisted RM-denominated sukuk will be valued based on price quoted by a bond pricing agency ("BPA") registered with the SC. Where the Manager is of the view that the price quoted by BPA for a specific sukuk differs from the "market price" by more than twenty (20) basis points, the Manager may use the "market price" provided that the Manager: (a) Records its basis for using a non-BPA price (b) Obtains necessary internal approvals to use the non-BPA price; and (c) Keeps an audit trail of all decisions and basis for adopting the "market yield".
(c) Other Unlisted Sukuk	▪ Other unlisted sukuk are valued daily using the Bloomberg Generic Price (BGN price) provided by Bloomberg in the event the price of a sukuk is not available on Bloomberg or being marked and "not priced" for a particular date/period. ASNB will use the last available price from Bloomberg or assign a fair value determined in good faith by the management company or fund manager on method or bases which have been verified by the auditor of the fund and approved by the Trustee and adequately disclosed in the prospectus.

(d) Islamic Money Market Instruments	Investments in Islamic commercial papers and Islamic treasury bills are valued each day based on the price quoted by BPA registered with the SC. For investments in Islamic money market instruments that are not quoted by BPA, such instruments are valued each day at cost, adjusted for amortisation of premium or accretion of discount over their par value at the time of acquisition, less provision for any diminution in value.
(e) Islamic Deposits	Islamic deposits placed with financial institutions are valued each day by reference to the value of such investments and the profits accrued thereon for the relevant period.
(f) Unlisted Islamic Collective Investment Schemes	Investment in unlisted Islamic collective investment schemes will be valued based on the last published repurchase price.
(g) Islamic Derivatives	Islamic derivative positions will be valued daily at fair value, as determined in good faith by the Manager based on methods or bases which have been verified by the auditor and approved by the Trustee.
(h) Any other Shariah-compliant investment (including suspended counter)	Fair value as determined in good faith by the Manager on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

5.1.2 Valuation Point for the Fund

The Fund will be valued at least once every Business Day. The Fund adopts a Forward Pricing basis which means that prices of Units will be calculated based on the NAV of the Fund at the next Valuation Point after the application to purchase or repurchase Units is received by the Manager.

If the Fund has no investments in foreign markets, the valuation of the Fund is conducted on the same Business Day. If requests for purchase or repurchase are received before the cut-off time of 4.00 p.m. on any Business Day, say, Tuesday, then Tuesday's Unit pricing shall apply and will be calculated after 5.00 pm on Tuesday. Tuesday's Unit pricing will be published on Wednesday (T+1).

If the Fund has investments in foreign markets, the valuation of the Fund is conducted after 5.00 p.m. of the following Business Day (T+1) due to the different time zones of foreign markets. Consequently, the daily NAV of the Fund will be published two (2) Business Days later instead of the next Business Day. If the application for purchase or repurchase is received by the Manager before Cut-off time 4.00 p.m. on any Business Day, say Tuesday, then Tuesday's Unit pricing shall apply and will be calculated after 5.00 p.m. on Wednesday (if Wednesday is a Business Day). Tuesday's Unit pricing will be published on Thursday (T+2).

Unit Holder may contact ASNB directly or visit our website at www.asnb.com.my to obtain the latest NAV of the Fund.

5.1.3 Computation of NAV

NAV per Unit is determined based on Forward Pricing and calculated at the next valuation point after instruction or a request is received by the Manager.

The valuation of Units is based on the NAV of the Fund. The NAV per Unit of the Fund is calculated by dividing the Fund's NAV by the number of UIC, rounded to four (4) decimal places. The NAV per Unit forms the basis for the computation of the Unit price.

Illustration :

Computation of the NAV per Unit at each valuation point is illustrated below:

	<u>RM</u>
Quoted Investments	231,000,000
Liquid Assets	34,500,000
Other Assets	<u>6,100,000</u>
	271,600,000
Less: Liabilities	<u>(16,500,000)</u>
NAV	<u>255,100,000</u>
Units in Circulation (Units)	<u>326,500,000</u>

Illustration:

Net Asset Value per Unit	= $\frac{\text{NAV}}{\text{Units in Circulation}}$
	= $\frac{\text{RM255,100,000}}{326,500,000 \text{ Units}}$
	= RM0.781317
NAV per Unit, rounded to four (4) decimal places	= <u>RM0.7813</u>

The rounding up of the NAV per Unit will be up to four (4) decimal places. The total amount paid will be subject to the rounding mechanism. Please note that the example above is for illustrative purpose only.

5.2 PRICING POLICY – DETERMINATION OF PRICE

5.2.1 Forward Pricing for Both Purchase and Repurchase Transactions

Both purchase and repurchase transactions are based on Forward Pricing. A request issued today by Unit Holder to purchase Units of the Fund will be carried out at a next determined price i.e. the transaction will be calculated at the next valuation point after the application to purchase Units is received and accepted by the Manager. Similarly, a request to repurchase of Units by Unit Holder will be done at the next determined price i.e. the transaction will be executed at the next valuation point after the application to repurchase request is received by the Manager.

Any transaction over the counter through ASNB's branches or agents on any Business Day will be processed based on the price determined for the same Business Day. Transaction via electronic channel before or at 4.00 p.m. on any Business Day will be processed on the price determined for the same day; whilst transaction after 4.00 p.m. via these channels will be processed based on the price determined for the next Business Day will be treated as transactions made on the following Business Day.

5.2.2 Incorrect Pricing

If there is any incorrect calculation of NAV per Unit, the Manager will take immediate remedial action to rectify the error. The Manager's remedial action will extend to the reimbursement of money to the Unit Holder if the error:

- a) is at or above the threshold of 0.5% of the NAV per Unit; and
- b) results in a sum of RM10.00 or more to be reimbursed to the affected Unit Holder for each purchase or repurchase transaction.

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

5.2.3 Computation of Price - Single Pricing Policy

The Manager adopts the single pricing policy in calculating Unit Holder's investment and repurchase of Units. "Single pricing" which equates to sales and repurchases quoted and transacted on a single price (i.e. NAV per Unit), is easier to understand and facilitate investors in comparing the different charges imposed and assist investors in making an informed decision about their choice of investment products.

Under the single pricing policy, the selling price for Units of the Fund is the NAV per Unit. However, Unit Holder will be imposed a sales charge for making an investment in the Fund. The basis of calculation is Forward Pricing. Sales charge of up to 2.0% of the NAV per Unit will be added as part of the purchase cost. Tax on the sales charge may be added as part of the purchase cost.

A. Making an Investment

i. During IOP

Units are transacted at the Initial Unit Price of RM1.0000. Upon the purchase of Units of the Fund, sales charge of up to 2.0% of Initial Unit Price is levied.

Illustration : Investment / Subscription of Units

If Unit Holder submit an application to invest RM10,000 in ASN Sukuk.

Assuming the amount Unit Holder wish to invest ("investment amount") : RM10,000

Initial Unit Price : RM1.000

Sales charge : 2.0%

Tax, (if applicable) : Zero-rated

$$\begin{aligned}
 \text{a) Sales charge incurred} &= \frac{\text{Investment Amount}}{1 + \text{Sales Charge (\%)}} \times \text{Sales Charge (\%)} \\
 &= \frac{\text{RM10,000}}{1 + 2\%} \times 2\% \\
 &= \text{RM196.08}
 \end{aligned}$$

b) Purchase at Initial Unit Price	$= \text{Initial Unit Price} + \text{Sales Charge of 2\%} + \text{Tax charge of 0\%}$ $= \text{RM1.000} + (2\% \times \text{RM1.00}) + \text{RM0.00}$ $= \text{RM1.000} + \text{RM0.02} + \text{RM0.00}$ $= \textbf{RM1.0200}$
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c) Units Issued to Unit Holder	$= \frac{\text{RM10,000}}{\text{RM1.0200}}$ $= 9,803.9216$ $= \textbf{9,803.92 units}$
--------------------------------	--

The rounding up of the NAV per Unit will be up to four (4) decimal places. The total amount paid will be subject to the rounding mechanism. Please note that the example above is for illustrative purpose only.

ii. After IOP

Units are transacted at the NAV per Unit of the Fund based on Forward Pricing. Upon the purchase of Units of the Fund, a sales charge of up to 2.0% of NAV per Unit is levied.

Illustration : Investment / Subscription of Units

If Unit Holder submit an application to invest RM10,000 in ASN Sukuk.

Assuming the amount Unit Holder wish to invest ("investment amount") : RM10,000

NAV per Unit : RM0.5000

Sales charge : 2%

Tax, (if applicable) : Zero-rated

a) Sales charge incurred	$= \frac{\text{Investment Amount}}{1 + \text{Sales Charge (\%)}} \times \text{Sales Charge (\%)}$ $= \frac{\text{RM10,000}}{1 + 2\%} \times 2\%$ $= \textbf{RM196.08}$
--------------------------	--

b) Purchase at NAV Per Unit	$= \text{NAV Per Unit} + \text{Sales Charge of 2\%} + \text{Tax charge of 0\%}$ $= \text{RM0.5000} + (2\% \times \text{RM0.5000}) + \text{RM0.00}$ $= \text{RM0.5000} + \text{RM0.01} + \text{RM0.00}$ $= \textbf{RM0.5100}$
-----------------------------	--

c) Units Issued to Unit Holder	$= \frac{\text{RM10,000}}{\text{RM0.5100}}$ $= 19,607.8431$ $= \textbf{19,607.84 units}$
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The rounding up of the NAV per Unit will be up to four (4) decimal places. The total amount paid will be subject to the rounding mechanism. Please note that the example above is for illustrative purpose only.

B. Requesting for Repurchase of Units**i. During IOP**

Unit Holder may request for repurchase of Units by simply completing the repurchase form available at ASNB branches and agents. Repurchase also can be made at any other distribution channel approved by the Manager. There is no restriction on the frequency of repurchase.

Illustration : Repurchase of Investment

The Price is RM1.0000 per Unit. No repurchase charge will be imposed. If Unit Holder submit an application to repurchase 10,000 Units in ASN Sukuk:

Units to repurchase	: 10,000 units in ASN Sukuk
Initial Unit Price	: RM1.0000
Repurchase charge	: Nil

$$\begin{aligned}
 \text{(i) Repurchase amount} &= \text{Repurchase units} \times \text{Initial Unit Price} \\
 &= 10,000 \text{ units} \times \text{RM1.0000} \\
 &= \mathbf{RM10,000}
 \end{aligned}$$

$$\begin{aligned}
 \text{(ii) Net Repurchase Proceeds} &= \text{Repurchase amount} - \text{Repurchase charge} \\
 &= \text{RM10,000} - \text{RM0} \\
 &= \mathbf{RM10,000}
 \end{aligned}$$

The rounding up of the NAV per Unit will be up to four (4) decimal places. The total amount paid will be subject to the rounding mechanism. Please note that the example above is for illustrative purpose only.

ii. After IOP

Unit Holder may request for repurchase of Units by simply completing the repurchase form available at ASNB branches and agents. Repurchase also can be made at any other distribution channel approved by the Manager. There is no restriction on the frequency of repurchase.

Illustration : Repurchase of Investment

The NAV is RM0.5000 per Unit. No repurchase charge will be imposed. If Unit Holder submit an application to repurchase 10,000 Units in ASN Sukuk:

Units to repurchase	: 10,000 units in ASN Sukuk
Initial Unit Price	: RM1.0000
Repurchase charge	: Nil

$$\begin{aligned}
 \text{(i) Repurchase amount} &= \text{Repurchase units} \times \text{NAV per Unit} \\
 &= 10,000 \text{ units} \times \text{RM0.5000} \\
 &= \mathbf{RM5,000}
 \end{aligned}$$

(ii) Net Repurchase Proceeds	= Repurchase amount – Repurchase charge
	= RM5,000 – RM0
	= RM5,000

The rounding up of the NAV per Unit will be up to four (4) decimal places. The total amount paid will be subject to the rounding mechanism. Please note that the example above is for illustrative purpose only.

5.3 BASIS OF CALCULATIONS AND ASSUMPTIONS IN CALCULATION OF RETURNS

The following are the basis of calculation and the assumptions made in calculating the returns:

(a) Annualised returns for the Fund are derived by the rate of returns on an annual basis over the entire period of investment.

The formula for annualised return is as follows:

$$\left[[(1 + r_1) \times (1 + r_2) \times \dots \times (1 + r_n)]^{\frac{1}{n}} - 1 \right] \times 100$$

Whereby, r_i = annual return in year i , n = number of years

(b) The annual total return for the Fund is computed as follows:

i. Capital Return (%)

$$\left[\left(\frac{\text{NAV per unit after income distribution}}{\text{NAV per unit beginning of the year}} \right) - 1 \right] \times 100$$

ii. Income Return (%)

$$\left[\frac{\text{Income distribution per unit}}{\text{NAV per unit after income distribution}} \right] \times 100$$

iii. Total Return (%)

$$\left[\left(1 + \frac{\text{Capital Return}}{100} \right) \times \left(1 + \frac{\text{Income Return}}{100} \right) - 1 \right] \times 100$$

Please visit our website at www.asnb.com.my for the latest updates on the Fund's performance. Past performance of the Fund is not an indication of future performance.

5.4 GENERAL TRANSACTION INFORMATION

Note: Investors are advised that this section is only a summary of the salient information about the Fund. Investors should read and understand the whole Prospectus before making any investment decisions.

(a) Minimum Initial¹ Investment	▪ RM10.00 via Cash/Cash equivalent² or such other amount as the Manager may decide from time to time
(b) Maximum Investment	▪ Unlimited.
(c) Minimum Additional¹ Investment	▪ RM1.00 via Cash/Cash equivalent² or such other amount as the Manager may decide from time to time.
(d) Minimum Repurchase	▪ One (1) Unit.
(e) Selling Price Per Unit	i. <u>During IOP</u> ▪ The Selling Price Per Unit shall be the Initial Unit Price of RM1.0000, and the Manager imposes a sales charge of 2.0% of Initial Unit Price on Unit Holder. The sales charge may be subject to Tax. ii. <u>After IOP</u> ▪ The Selling Price Per Unit shall be calculated at the NAV per Unit computed on Forward Pricing basis and the Manager imposes a sales charge of 2.0% of NAV per Unit on Unit Holder. The sales charge may be subject to Tax.
(f) Repurchase Price	i. <u>During IOP</u> ▪ The repurchase amount payable to the Unit Holder is calculated at Initial Unit Price of RM1.0000. No repurchase charge is imposed on the Unit Holder. ii. <u>After IOP</u> ▪ The repurchase amount payable to the Unit Holder that is calculated at NAV per Unit computed on Forward Pricing basis. No repurchase charge is imposed on Unit Holder.
(g) Minimum Balance Requirement²	▪ Unit Holder must maintain the minimum balance requirement of one (1) Unit to qualify as a Unit Holder.
(h) Maximum Repurchase	▪ Unlimited, however, the minimum balance of one (1) Unit must be maintained in the account, otherwise, Unit Holder must request for total repurchase.
(i) Frequency of Repurchase	▪ Unlimited.

(j) Payment of Repurchase Money	Payments of redemption proceeds will be made within seven (7) business days from the date at which a redemption request is deemed received by the Manager.
(k) Standing instruction³	The Manager has the absolute discretion to allow investment through standing instruction after the IOP.
(l) Switching Between Funds	- Allowed, subject to the terms and conditions and fees stipulated in this Prospectus. - The Manager has absolute discretion to offer this facility via any other medium channel and determine the date of offer of the facilities from time to time.
(m) Transfer of Units	- Allowed, subject to the terms and conditions and fees stipulated in this Prospectus. - The Manager has the absolute discretion to offer this facility via any other medium channel and determine the date of offer of the facilities from time to time.
(n) Distribution Re-investment Option⁴	Distribution, if any, after deduction of taxation and expenses (i.e. net distribution), will be reinvested into additional Units of the Fund based on the NAV per Unit at entitlement date, adjusted for the said distribution. Allotment of such Units shall be up to two (2) weeks thereafter. No sales charge/transaction fee will be imposed for any reinvestment of distribution into the Fund.
(o) Units Offering	The Manager has absolute discretion to offer the Units in any manner deemed appropriate.

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

Notes:

- All investors are required to invest the stipulated Minimum Initial Investment in the form of cash or cash equivalent. However, the Manager reserves the right to accept any other minimum amounts in circumstances considered appropriate by the Manager.*
- The Minimum Balance requirements as stated are to be maintained. Otherwise, you are advised to request for total repurchase. Premised in the Deed, the Manager has the right to close the account at our discretion, should the balance in your account below the minimum balance requirement.*
- Investment through standing instruction shall be subject to rules and regulations of the banks that have been appointed as our agents subject to availability of the Units.*
- Distribution Re-Investment option for cash/cash equivalent means re-invested as additional Units in your account at NAV per Unit subject to the availability of the Units of the Fund.*

5.5 HOW TO PURCHASE UNITS

Please Read and Understand this Prospectus and Product Highlight Sheet of the Fund

An investor must fully understand unit trust investment, and what investing with the Fund would mean in terms of potential benefits and risks. Please consult a professional advisor for information of the Fund. It is important that an investor reads this Prospectus and Product Highlight Sheet carefully and seeks further clarification on any matter, if required.

Upon registration and opening an account with ASNB, an investor is required to complete the registration form with a minimum initial investment required. Registration also can be made via ASNB electronic platform and kiosk. Investors are recognised as Unit Holders only after they have been registered in the Unit Holders' register. The registration takes effect from the date the Manager receives and accepts the application to purchase Units from investors together with the payment thereof.

Should a Unit Holder wish to consider investment, subsequent investments, repurchase and/or switching, the Unit Holder must complete the relevant transaction forms which can be obtained from the distribution channels mentioned above including the suitability assessment exercise by the professional advisor upon their recommendation on such investment. A Unit holder also may or request such transaction at ASNB branches that adopt formless transactions. The form-less initiatives will enable Unit Holders to perform transactions without physical forms. For non-face-to-face transaction, a verification via e-KYC which is an electronic process to identify and verify the Unit Holder's identities shall be in required.

The application must be made before the cut off time of 4.00 pm on any Business Day. When the application received after the cut-off time, the application will have deemed to have been received on the next business day. The Manager reserve the right to vary the terms and condition of investment and payment modes from time to time which shall be communicated in writing to Unit Holder. The Manager may also reject any application that is incomplete and/or not accompanied by the required documents.

All fees, charges and expenses incurred or to be incurred shall be borne by the Unit Holder.

5.6 TRANSACTION DETAILS ON PURCHASE OF UNITS

Minimum Initial Investment/Subscription of Units, Additional Investment and Maximum Investment:

A Minimum Initial Investment of RM10.00 is required upon registration and the minimum additional investment is RM 1.00. A Unit Holder will need to pay for the purchase on-the-spot.

A Unit Holder must understand that there are charges that will be directly charged to a Unit Holder such as sales charge when a Unit Holder subscribes or make additional investments in the Fund. Please refer to Section 4.1.1 for the Sales Charge. The Sales Charge may be subject to Tax.

Subscription application should be made before the Cut-off time of 4.00 p.m. on any Business Day. Any transactions made after 4.00 p.m. or such other time that is determined by the Manager or on

Non-Business Day, shall be proceed on the next Business Day or in accordance with the term and conditions imposed by the Manager. The Manager reserves the right to vary the terms and conditions of purchase made from time to time. Any changes shall be notified via ASNB Website and or any other mode determined by ASNB.

5.7 TRANSACTION DETAILS ON REPURCHASE OF UNITS

Unit holders may request for repurchase of Units by simply completing the repurchase form at ASNB branches or ASNB agents or request repurchase of units at ASNB branches that adopt formless transactions with a minimum repurchase of one (1) Unit.

Notwithstanding, Unit holders may also request for repurchase of units via an established electronic platform or any other distribution channel approved by the Manager.

Repurchase application should be made before the Cut-off time of 4.00 p.m. on any Business Day. The Units will be repurchased at the NAV per Unit calculated at the next valuation point (i.e. Forward Pricing). Any transactions made after 4.00 p.m. or such other time that is determined by the Manager or on Non-Business Day, shall be processed on the next Business Day or in accordance with the term and conditions imposed by the Manager. The Manager reserves the right to vary the terms and conditions of repurchase made from time to time, which shall be communicated with Unit Holders in writing.

There is no restriction on the frequency of repurchase subject to minimum balance requirement. However, there is unlimited for maximum repurchase but the minimum balance of one (1) Unit must be maintained in the account, otherwise, Unit Holder must request for total repurchase. Under the guidelines, the payment of repurchase money is allowed to be made within seven (7) days upon receipt of repurchase request.

Investors are advised not to make payment in cash to any individual agent when purchasing Units of the Fund.

5.8 SWITCHING OF UNITS BETWEEN FUNDS

A Unit Holder is allowed to switch Units held in the Fund into another fund managed by the Manager. However, during IOP, the Units of other funds are not allowed to be switched into Units of the Fund except at the Manager's discretion. Switching application should be made before the Cut-off time of 4.00 p.m. on any Business Day. The Units will be switched at NAV per Unit calculated at the next valuation point. Switching from Forward Price Fund to Historical Price Fund or vice versa, is subject to the valuation methodology of the NAV per Unit of the respective funds.

When a switching application is received after the Cut-off time stated above, the application will be deemed to have been received on the next Business Day. There is no limit to the frequency of switching between various funds. However, this facility is subject to our terms and conditions applicable for the funds.

The Manager has absolute discretion to offer this facility via any other medium channel and determine the date of offer of the facilities. A Unit Holder may refer to our website www.asnb.com.my for further information on our products and services.

Please refer to Section 4.1.3 for the switching fee. The switching fee may be subject to Tax.

5.9 TRANSFER OF UNITS

Subject to the provisions of the Deed a Unit Holder may transfer some or all of units held to another investor. A transfer will be affected subject to the minimum balance requirement and terms and conditions applicable for the Fund. The Manager also reserve the right to decline any transfer request if such transfer will expose the Manager to any liability and/or will contravene any law or regulatory requirements, whether or having the force of law.

A Unit Holder may fully or partially transfer his Units in the Fund to another Unit Holder of the same Fund subject to a transfer fee up to RM15 and may be subject to Tax, if applicable, for each transfer. The Manager reserves the right to reduce or waive the transfer fee.

For transfer of Units, Unit Holder need to complete and submit the transfer form to the nearest ASNB branches and ASNB agents. Transfer application should be made before the Cut-off time of 4.00 p.m. on any Business Day. Any transfer made after 4.00 p.m., such other time that is determined by the Manager, or Non-Business Days shall be processed on the next Business Day or in accordance with the terms and conditions imposed by the Manager.

The Manager has the absolute discretion to offer this facility via any other medium channel and determine the date of offer of the facilities. A Unit Holder may refer to our website www.asnb.com.my for further information on our products and services. Please refer to Section 4.1.2 for the transfer fee. The transfer fee may be subject to Tax.

5.9.1 Transfer of Units for Deceased Unit Holder

Transfer of ownership from the account of a deceased Unit Holder to his/her next of kin's account will only be undertaken through the process of estate administration which is subject to death claims procedures, as applied by us from time to time. No fee is imposed for this transaction.

5.10 UNIT HOLDER'S RIGHTS

A Unit Holder is recognised as a Unit Holder of the Fund upon receipt of the respective application form and payment (in the case of cheques, upon clearance of cheques). A Unit Holder's investment will be evidenced in the statement, issued by the Manager. Please refer to Section 8.

5.11 DISTRIBUTION AND REINVESTMENT POLICIES

(a) Type of Returns	▪ The return of the Fund will be in the form of distribution and capital appreciation. ▪ Distribution will be made from realised coupon income and realised capital gains (net of realised losses) and other income earned from permitted investments.
(b) Method of Computation of Distribution	▪ Distributions, if any, are based on Units held on the entitlement date. ▪ Unit Holder must maintain the minimum balance requirement of one (1) Unit to qualify as a Unit Holder. <i>Note: Unit price and distributions payable, if any, may go down as well as up.</i>

(c) Distribution Policy

- Distribution (if any) will be made annually, subject to approval from Trustee.
- The distribution may be made from realised income and/or out of capital, at Manager's discretion subject to approval from Trustee.
- The distribution may be made out of capital in a situation when realised gain/income in the current year is insufficient for distribution and the distribution is deemed to be in the interest of the fund and the unitholders by the Manager.
- Payment of distribution (if any) will be reinvested into additional Units of the Fund.
- Distribution out of capital poses a risk of eroding the capital of the Fund which will result in the diminishing of the value of future returns of the Fund. This will arise if the capital distribution reinvested are redeemed.

Reinvestment of Units:

- (i) Distribution, if any, after deduction of taxation and expenses (i.e.net distribution), will be reinvested into additional Units of the Fund based on the NAV per Unit at entitlement date, adjusted for the said distribution. Allotment of such Units shall be up to two (2) weeks thereafter.
- (ii) No sales charge/transaction fee will be imposed for any reinvestment of distribution into the Fund.

Payment of Distribution:

- (i) Meanwhile, Unit Holders may opt for the mode of payment for the distribution, either by cheque or to be credited into their bank account located in Malaysia, by indicating in writing to the Manager. Any cost and expenses arising from these modes of payment will be borne by Unit Holders. If the Unit Holders opt for the distribution to be credited into their bank accounts, they are required to provide their bank account details for the distribution to be made. Payment will be affected if the bank account has been registered with the Manager.
- (ii) Cheque(s) that remain(s) unclaimed for more than six (6) months, under the law, will be filed with the Registrar of Unclaimed Monies.
- (iii) Only a person who is registered as a Unit Holder on the entitlement date is entitled to the distribution. Therefore, Unit Holder must maintain the minimum balance requirement of 1 Unit to qualify as a Unit Holder

Note: Unit price and distributions payable, if any, may go down as well as up.

(d) Unclaimed Monies

- Any amount of monies payable to Unit Holders which remain unclaimed for such period of time as prescribed by the Unclaimed Monies Act 1965 after the date for payment shall be paid by the Manager in accordance with the provision of The Unclaimed Monies Act, 1965 (Revised 2002).

5.12 ADDITIONAL INFORMATION**5.12.1 Types of Distribution Channels**

A Unit Holder can subscribe/purchase and request for repurchases Units of the Fund at any ASNB branches or agents throughout Malaysia. Please refer to Sections 13 and 14 for the details.

The transactions are subject to the availability of Units and applicable limits. All transactions made after 4.00 p.m. or such other time that is determined by the Manager or on non-Business Day shall be processed on the next Business Day or in accordance with the terms and conditions imposed by the Managers and agents.

A Unit Holder may perform transactions through online facilities that have been approved by the SC that subject to the terms and conditions imposed by the agents/service providers and ASNB.

The Manager has the absolute discretion to change the transaction time of electronic channels from time to time. Please refer to ASNB's website or ASNB's electronic channels for transaction information details.

5.12.2 Cooling-Off Policy**(i) Cooling-Off Period**

- The Cooling-off Period for the Fund is six (6) Business Days commencing from the date of purchase.

(ii) Cooling-Off Right

- A Cooling-off Right refers to the right of the Unit Holder to who is investing in any Variable Price Fund managed by ASNB for the first time, to obtain a refund of his investment if he so requests within the Cooling-Off Period.
- The Cooling-off Right, however, does not extend to a corporation or institution, the staff of ASNB persons registered with the body approved by the SC to deal in Unit trust funds.
- The refund for every Unit held by the Unit Holder according to the exercise of the Cooling-Off Right shall be the sum of:
 - (a) the NAV per Unit on the day the Units were first purchased; and
 - (b) the sales charge per Unit originally imposed on the day the Units were purchased.

Example:

14 April 2021 : Investor purchases Units in the Fund

16 April 2021 : Investor exercises Cooling-off Right by submitting a request for refund on his investment (within the Cooling-off Period)

The Cooling-off amount/proceeds due to the investor is computed based on the Unit process and NAV determined at the close of business on 14 April 2021 including the sales charge.

When a Cooling-off Right is exercise, the money will be refunded to the applicant by the Manager in cash within seven (7) Business Days of receipt of the notice or exercise of Cooling-off Right. The request to exercise Unit Holder Cooling-off Right must be submitted either to Manager or to any distribution channel within the Cooling-off Period.

5.12.3 Dissemination of Information to Unit Holders

The annual and semi-annual reports of the Fund which contain the Manager's report, the Trustee's report, the summarised audited financial statement for the year and the Auditors' report will be distributed to Unit Holders of the Fund within two (2) months of the Fund's financial year-ended or semi-annual period.

Distribution statement, annual report and semi-annual report of the Fund will be disseminated to all Unit Holders through electronic means. The electronic versions of the distribution statements of the Fund will be sent to the registered e-mail address of Unit Holders, while the annual and semi-annual reports of the Fund can be accessed through ASNB's website at www.asnb.com.my.

Pursuant to the above, Unit holders/registered guardians are advised to update their e-mail address and mobile number via the following channels:

- (a) ASNB branches or ASNB agents nationwide; or
- (b) E-mail : asnbcare@pnb.com.my

Unit Holders may update their preferred mailing mode in order to receive the distribution statements, annual reports, and semi-annual reports either through electronic means or physical copies at any ASNB's branches, ASNB's agents, myASNB platform or ASNB kiosk.

The Fund's annual report is available upon request.

5.12.4 Information on Current NAV per Unit

The daily NAV per Unit of the Fund is available at our ASNB branches, ASNB Agents and ASNB website at www.asnb.com.my.

5.12.5 Record Keeping of Documents

The Manager will keep the transaction documents of the Fund for a period of seven (7) years from the date of the transaction documents after which the destruction of the documents will be done in accordance with the Manager's record management procedures. The registration form will continue to be kept by the Manager for a period of seven (7) years from the date a Unit Holder ceases to be a Unit Holder.

The Manager shall not be obliged to produce any documents requested by a Unit Holder upon the expiry of the relevant seven (7) years period.

5.12.6 Material Contracts

Saved as disclosed below, there are no other material contracts (including contracts not reduced into writing), not being contracts entered into in the ordinary course of business, which have been entered into that relate to the Fund within two (2) years preceding the date of this Prospectus:

- (a) The Deed dated 1 September 2022 constituting the Fund, entered into between the Manager and the Trustee, for the benefit of the Unit Holders; and
- (b) The Investment Management Agreement entered into between the Manager and PNB on 1 November 2022, which sets out the terms and conditions upon which PNB has been appointed and has agreed to act as the Investment Manager of the Fund.

5.12.7 Anti-Money Laundering Policies and Procedures

ASNB had developed policies and procedures on Anti-Money Laundering and Counter-Terrorism Financing as part of ASNB's initiatives to continue curbing financial crimes related to Money Laundering/Terrorism Financing activities as follows:

- (i) The total cash investment is limited to RM25,000 per day in all ASNB unit trust products for each customer at all ASNB branches.
- (ii) With effect from 1 January 2017, purchases and repurchases of Units by the Unit Holder, in the same unit trust fund on the same day are not allowed by ASNB.
- (iii) Electronic Know Your Customer is a digital process that enables the opening of accounts digitally for customers to occur anytime and anywhere. ASNB has developed a policy that facilitates its customers to start their investment through ASNB's digital platform with an online experience that meets financial regulatory requirements.

5.12.8 Others

Bantuan khairat is a facility provided to assist the families of deceased Unit Holder and is not an entitlement but is given at the discretion of the Manager to eligible Unit Holder. However, this facility only applicable to individual Unit Holder. *Bantuan khairat* may only be given if the application is made within six (6) months after the death of the Unit Holder. The Manager reserves the right to amend the terms and conditions of *bantuan khairat* from time to time.

5.12.9 Avenue for Advice

If a Unit Holder has any question about the information in this Prospectus or to obtain latest information on our products and services, kindly visit our website www.asnb.com.my or any ASNB branches. Our officers will provide a Unit Holder with more specific information on Unit Holder investments should a Unit Holder require such a service. A Unit Holder may communicate with us via the following channels:

via ASNB Customer Service Centre	+603 - 7730 8899
via fax to	+603 - 2050 5220
via email to	asnbcare@pnb.com.my
via letter to	Customer Service Department UG, Balai PNB, 201-A, Jalan Tun Razak 50400 Kuala Lumpur

A Unit Holder may also visit any ASNB branches* during normal operating hours, 8.15 a.m. to 4.00 p.m. Mondays to Fridays (excluding public holidays) or ASNB agents* or write to the same. Fund prices will be published daily on our website at www.asnb.com.my.

The management company reserves the right to suspend the dealings of the fund for income distribution calculation and/or any other operational matters deemed necessary.

Note: *Subject to operating hours of the ASNB branches.

5.12.10 SIDREC

Securities Industry Dispute Resolution Center (SIDREC)

Should an individual or a sole proprietor investor be dissatisfied with the outcome of the internal dispute resolution process, he may refer his dispute resolution to the SIDREC:

via phone to	+603 - 2282 2280
via fax to	+603 - 2282 3855
via email to	info@sidrec.com.my
via letter to	Securities Industry Dispute Resolution Center (SIDREC) Unit A-9-1, Level 9, Tower A, Menara UOA Bangsar No. 5, Jalan Bangsar Utama 1 59000 Kuala Lumpur

6. THE MANAGEMENT AND THE ADMINISTRATION OF THE FUND

The Fund is constituted under the Deed, involving the Manager, the Trustee and Unit Holders. By investing in the Fund, Unit Holders agree to appoint the Manager to manage their investments, under the term and conditions as stipulated under the Deed. The Trustee acts as a custodian to safeguard the interest and assets of Unit Holders in the Fund. For further details, please refer to ASNB's website www.asnb.com.my.

6.1 BACKGROUND OF THE MANAGER – ASNB

The Manager of the Fund is ASNB, a wholly-owned subsidiary of PNB. ASNB was established on 22 May 1979, to manage the Fund launched by PNB. ASNB has been in the industry for more than 40 years.

6.2 THE BOARD OF DIRECTORS – ASNB

ASNB has experienced members on its Board of Directors with backgrounds in investment, finance and legal. The Board of Directors oversees and ensures that the objectives of the Funds are achieved. They are responsible for establishing the company's policies and guidelines towards meeting the objectives. The Board of Directors meets regularly.

1) TUN ARIFIN BIN ZAKARIA
CHAIRMAN (Non-Executive/Non-Independent Director)
2) ENCIK AHMAD ZULQARNAIN BIN CHE ON
DIRECTOR (Executive/Non-Independent Director)
3) DATUK SERI DR. NIK NORZRUL THANI BIN N. HASSAN THANI
DIRECTOR (Non-Executive/Independent Director)
4) DATO DR. NIK RAMLAH BINTI NIK MAHMOOD
DIRECTOR (Non-Executive/Independent Director)
5) DATUK MOHD ANWAR BIN YAHYA
DIRECTOR (Non-Executive/Independent Director)
6) ENCIK MUZZAFFAR BIN OTHMAN
EXECUTIVE DIRECTOR (Executive/Non-Independent Director)

6.3 ROLES, DUTIES AND RESPONSIBILITIES OF THE MANAGER

- (a) To manage and administer the Fund in a proper, diligent and efficient manner, in accordance with the Deed and prospectus of the Fund, the Guidelines and securities laws, and acceptable and efficacious business practice within the unit trust industry.
- (b) To act with due care, skill and diligence in managing the Fund, and effectively employ the resources and procedures necessary for the proper performance of the Fund.
- (c) To observe high standards of integrity and fair dealing in managing the Fund to the best and exclusive interest of Unit Holder.
- (d) To take all necessary steps to ensure that the assets of the Fund are adequately protected and properly segregated.
- (e) To account to the Trustee for any loss suffered by the Fund as a result of our failure to exercise the degree of care and diligence required in managing the Fund.

6.4 THE INVESTMENT MANAGER OF THE FUND – PNB

PNB has been entrusted by ASNB to manage the investments of the Fund. Established in 1978 as one of the vehicles of the New Economic Policy, PNB has made considerable success in promoting share ownership of the Bumiputera in the corporate sector through its funds. PNB has a proven track record whereby returns from its funds have benefited Malaysians with more than forty (40) years of experience in fund management.

ASNB assesses the performance of PNB as the Investment Manager of the unit trust funds based on the investment mandates, objectives and other functions as stipulated in the Investment Management Agreement signed between ASNB and PNB, taking into consideration the relevant market and industry benchmarks.

The designated Fund Manager for the Fund:

Puan Hanizan binti Hood

- Chief Investment Officer, Public Markets

- Puan Hanizan is responsible for the management of public assets portfolio for PNB and funds under management, comprising domestic and global public equities, fixed income and money market instruments. She leads key operating units namely Economics, Investment Analysis, Fund Management, Fixed Income, Treasury, Equity Market Operations and Investment Operations & Governance.
- She has served PNB since December 1996. She has accumulated a wealth of investment-related work experience in equities research, money market and fund management. She graduated with a degree in Economics from Northwestern University and completed the Advanced Management Program at Harvard Business School. She is a holder of the Capital Market Services Representative's Licence and the designated Fund Manager for funds under management of PNB.

6.4.1 Functions of the Investment Manager

The main functions of the Investment Manager of the Fund are as follows:

- (a) To manage the Fund in accordance with the investment guidelines, Deed, securities laws and Guidelines.
- (b) To meet the objective of the Fund through the formulation of appropriate investment strategies, asset allocation and selection of stocks and other investment securities to ensure Unit Holder receive competitive returns.
- (c) To continuously enhance and maximise value of the Fund through regular monitoring and rebalancing of the investment portfolio.
- (d) To abide by the internal investment policies and procedures in safeguarding and promoting Unit Holder's best interests.
- (e) To provide accurate information to enable us to deal with and report to all necessary authorities and bodies on all matters pertaining to or arising out of the management of the Fund as required by the relevant laws, regulations and guidelines.
- (f) To maintain proper up-to date records of all acts and matters undertaken related to the management of the Fund.

6.5 FUNCTIONS OF THE INVESTMENT COMMITTEE OF THE FUND

The Investment Committee of the Fund is responsible for the following:

- (a) To provide broad investment policies and guidelines for effective and efficient management of the Fund, incorporating good corporate governance and best practices in managing the Fund.
- (b) To provide guidance in meeting the objectives of the Fund and ensure competitive returns to the Unit Holders.
- (c) To approve investment plans and strategies for the short-term, medium-term and long-term horizons so as to enhance and maximise the value of the investment portfolio.

6.6 FUNCTIONS OF THE SHARIAH ADVISORY COMMITTEE OF THE FUND

6.6.1 Roles and Responsibilities of the Shariah Adviser:

In line with the Guidelines, the roles of the Shariah Adviser are:

- (a) Shariah Adviser shall advise on all aspects of the Fund and fund management business in accordance with Shariah principles;
- (b) Shariah Adviser shall provide expertise and guidance on Shariah matters in relation to the Fund including matters relating to documentations (which includes but not limited to the establishment of deed, prospectus and investment management agreement), investment instruments and structure, management of shariah non-compliance risks (in ensuring those risks are satisfactorily identified, managed and opportunity maximized) and ensure that all aspects of the Fund in compliance with relevant securities laws and guidelines issued by SC;
- (c) Shariah Adviser shall notify the Board of Directors of ASNB on immediate basis in the event that any significant Shariah related risk relating to the Fund is identified which may lead to business disruption and/or financial impact;
- (d) Shariah Adviser shall assess the Fund's overall activities to ensure that they are managed and administered in accordance with Shariah principles and in line with the applicable concepts, principles and rulings endorsed by the SAC;
- (e) Shariah Adviser shall review the compliance report, investment transaction report and any other relevant report as and when required, to ensure that the investments are in line with Shariah principles;
- (f) Shariah Adviser shall prepare a report to be included in fund reports of the Fund stating its opinion whether the Fund has been managed in compliance with Shariah, including Shariah principles, concepts and rulings endorsed by the SAC;
- (g) Shariah Adviser shall apply ijtihad (intellectual reasoning) to ensure all aspects relating to the Fund are in compliance with Shariah, in the absence of any relevant rulings, principles and concepts endorsed by the SAC;
- (h) Shariah Adviser shall assist ASNB and attend any ad-hoc meeting called by the SC and/or any other relevant authority;
- (i) Shariah Adviser shall approve the Shariah investment guidelines, policies and procedures including but not limited to Shariah approval process, details of methodologies, and screening process;
- (j) Shariah Adviser shall approve the rules on disposal of Shariah non-compliant investment or instruments to ensure smooth operation of ASNB Islamic funds; and
- (k) Where there is ambiguity or uncertainty relating to any Shariah matters, the Shariah Adviser must consult the SC. The Shariah Adviser members may delegate the task to seek the further advice of the SC to the secretariat.

In carrying out the above roles and responsibilities, Shariah Adviser must :-

- (a) act honestly with due care, skill, diligence and uphold the principles of Shariah;
- (b) take all reasonable steps to ensure fair treatment in discharging his/her duties; and
- (c) carry out any other duties or responsibilities as may be specified by the SC relating to Shariah matters.

6.6.2 The Shariah Advisory of ASN Sukuk:

PROF. DR. MOHAMAD AKRAM BIN LALDIN - Chairman

- Prof. Dr. Mohamad Akram is currently the Executive Director of International Shari'ah Research Academy for Islamic Finance ("ISRA"). Prior to joining ISRA he was an Assistant Professor at the Kulliyah of Islamic Revealed Knowledge and Human Sciences, International Islamic University, Malaysia. He has vast experience in providing Shariah views on Islamic Banking and Finance and Fundamental of Islamic Jurisprudence. He is also a Shariah Advisor to several Islamic Financial Institutions in Malaysia and abroad which includes Bank Negara Malaysia, Employee Provident Fund, International Islamic Financial Market, Bahrain Member of Shariah Advisory Councils and others. He has a Doctor of Philosophy in Islamic Finance, University of Edinburgh, Edinburgh, Scotland, United Kingdom, and B.A. Hons. in Islamic Jurisprudence and Legislation, University of Jordan, Amman, Jordan.

DATO' AS-SHEIKH HAJI NOOH BIN GADOT

- Currently, Dato' As-Sheikh Haji Nooh is an Islamic Advisor to DYMM Sultan Johor and advisor to Johor State Islamic Council. He is a member of the Johor Royal Council and Islamic Religious Council (Johor). He retired as Mufti of Johor in November 2002 and continued his service until 13 November 2008 and now remains as the Advisor to the Islamic Religious Council (Johor). He was appointed as Federal Supreme Committee of Islamic Affairs Strengthening Management on 9 August 2018. His vast experience in Islamic Practice and Jurisprudence, Juristic Methodology, Hadith and its Sciences and Spirituality were gained throughout his services as Acting Kadi, Syariah Lawyer Islamic Affairs Officer Religious Department (Prime Minister Department), Acting Assistant Examination and Registrar Religious School of Johor State and religious teacher of Johor State. He graduated from the Al-Azhar University in Egypt with a Bachelor in Islamic Law and Shariah Islamiah. On 22 April 2012, he obtained the Ijazah Kehormat Sarjana Sastera (Master of Art) from Asia e University and he also has Honorary Doctorate Award (Human Development) from Universiti Tun Hussien Onn (UTHM).

PROF. EMERITUS DATO' PADUKA DR. MAHMOOD ZUHDI BIN HAJI ABD. MAJID

- Prof. Emeritus Dato' Paduka Dr. Mahmood Zuhdi is an Associate Research Fellow, University of Malaya and Chairman of Majlis Dakwah Negara. He holds a number of Shariah-related degrees from Malaysia and abroad, namely, the Bachelor of Shariah from Islamic Centre for higher studies Malaysia, the Master of Shariah from the Al-Azhar University, the Master of Philosophy from the University of Kent and Doctor of Philosophy from the University of Malaya. In the field of Islamic Finance, he is currently the Chairman of the Board of Shariah Advisors of As-Salihin Trustee Berhad. He is a recipient of the Dato' Paduka Jiwa Mahkota Kelantan Yang Amat Mulia (DJMK) conferred by his Royal Highness the Sultan of Kelantan.

DR. AIDA BINTI OTHMAN

- Dr Aida specializes in Islamic Banking and Finance, Islamic Capital Market Instruments and Takaful Products and Operations. She has also regularly advised on shariah compliance and governance, including on the Legal and Regulatory Framework for Islamic Finance. She has a PhD in Comparative Law & Middle Eastern Studies from Harvard University, a Master's Degree in Law from Cambridge University, a Bachelor's Degree in Laws and Bachelor's Degree in Islamic Law (Shariah) (both with first class honors), from International Islamic University Malaysia (IIUM). She obtained her post Doctorate Fellowship from Harvard University in 2006

ENCIK WAN ABDUL RAHIM KAMIL BIN WAN MOHAMED ALI

- Encik Wan Abdul Rahim Kamil is currently a Consultant in Islamic Capital Markets to the SC. He has almost 40 years' experience in the Islamic financial-services industry in Malaysia. He is also a Shariah Advisor to RHB Islamic Bank Berhad. He has previously been the CEO of Abrar Discounts Berhad and has been a member of the Islamic Banking Committee of Majlis Tindakan Ekonomi under the Prime Minister's Department. He was the recipient of the "Outstanding Leadership in Islamic Finance" award by London Sukuk 2011. He has written several articles and has delivered presentations on sukuk, corporate governance in Shariah, rating of Islamic financial institutions, Islamic factoring, Islamic asset backed securities, Islamic gold dinar, and securitization. He has a Bachelor's Degree from Institute Teknologi MARA, Postgraduate Diploma in Islamic Banking and Economics (1983) from the International Institute of Islamic Banking and Economics, North Cyprus (Collaboration program with Al Azhar University, Cairo 1982/83).

6.7 POLICIES ON CROSS TRADE

Cross trade between the Fund and other funds managed by PNB may be undertaken provided that all criteria imposed by the regulators are met. PNB has been granted exemptions from compliance with clauses of the Guidelines on Compliance Functions for Fund Management Companies in relations to cross trade between PNB and the unit trust funds under its management.

All cross trades executed are reported to the Investment Committee of the respective unit trust fund and disclosed in the Fund's report.

6.8 DISCLOSURE OF CURRENT MATERIAL LITIGATION AND ARBITRATION

The Management Company and the Investment Manager are not engaged in any material litigation, claim or arbitration, either as a plaintiff or defendant, and the Management Company and the Investment Manager have no knowledge of any proceeding pending or threatened or of any material fact likely to give rise to any proceeding which might materially and adversely affect their financial position or business.

Note: Unit Holder may refer to our website www.asnb.com.my for further information on the Management Company, Investment Manager and Shariah Adviser for the Fund.

7. TRUSTEE

7.1 GENERAL INFORMATION

AmanahRaya Trustees Berhad (ART) was incorporated under the laws of Malaysia on 23 March 2007 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 the trustee business.

7.2 ROLES, DUTIES AND OBLIGATIONS

The role of ART, as the Trustee, is to safeguard the rights and interests of the Unit Holders by ensuring that the Manager performs its duties and obligations by the Deed, the Act, the Guidelines and other relevant laws. The Trustee acts on behalf of each Unit Holder by monitoring the actions of the Manager, and by having custodianship of the Fund through the holding of the investments of the Fund in trust for the Unit Holder.

The Trustee is responsible:

- (a) To act as custodian of the assets of the Fund and safeguard the interest of the Unit Holders;
- (b) To act with due care, skill, diligence and vigilance, and act under the Act, the Deed, the Guidelines and securities laws in carrying out its duties and responsibilities;
- (c) To ensure at all times, through proper and adequate supervision, ensure that the Fund is managed and administered by the Manager under the Act, the Deed, the Guidelines and securities laws and acceptable and efficacious business practices within the unit trust industry;
- (d) To ensure that it is fully informed of the investment policies of the Fund as set by the Manager, and of any changes made thereto;
- (e) To notify the SC immediately of any irregularity, any breach of the provisions of the Act, the Deed, the Guidelines or securities laws and any other matter properly regarded by the Trustee as not being in the interests of the Unit Holders;
- (f) To ensure that the systems, procedures and processes employed by the Manager to value and/or price the Fund or the Units of the Fund are adequate and that such valuation/pricing is carried out under the Act, the Deed, the Guidelines and securities laws;
- (g) To ensure that the sale, repurchase, and creation of the Fund are carried out under the Act, the Deed, the Guidelines and securities laws;
- (h) To submit or make available any statements, documents, books, records and other information relating to the Fund and the business of the Trustee (where appropriate or reasonable) or such periodical returns, as may be required by the SC from time to time;
- (i) To take all steps to effect any instructions properly given by the Manager as to the acquisition or disposal of, or the exercise of the rights attaching to, the assets of the Fund; and
- (j) To maintain and ensure that the Manager maintains proper accounting records and other records as are necessary to enable a complete and accurate view of the Fund to be formed and to ensure that the Fund is managed and administered under the Deed of the Fund, the guidelines and securities laws.

7.3 DISCLOSURE OF CURRENT MATERIAL LITIGATION AND ARBITRATION

As at the date of this Prospectus, 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 affect the business or financial position of the Trustee or of any of its delegates.

7.4 TRUSTEE'S DELEGATE

The Trustee has appointed BNP Paribas Securities Services which is operating through its Singapore branch as the custodian for the foreign assets of the Fund. is a wholly owned subsidiary of the BNP Paribas Group. BNP Paribas Securities Services offers its client's access to an extensive custody network that covers over 100 markets globally in addition to being the only certified global custody shariah-compliant solution provider. In its capacity as the appointed custodian, BNP Paribas Securities Services' duties and responsibilities for its international assets include:

- (a) recording all cash deposited by the Trustee or held on behalf of the Trustee in cash accounts opened in the name of the Trustee;
- (b) recording all securities deposited or transferred by or on behalf of the Trustee or collected for the account of the Trustee; and
- (c) providing periodic reports, daily account statements and other reports and information to the Trustee.

All investments of the Fund are registered in the name of the Trustee for the Fund, or where the custodial function is delegated, in the name of the custodian, to the order of the Trustee for the Fund. As custodian, BNPP shall act only in accordance with instructions from the Trustee for the Fund.

8. SALIENT TERMS OF THE DEED

The Deed is a complex document, and the following is only a summary. Certain salient terms of the Deed are summarised in other sections of this Prospectus. Recipients of this Prospectus and all prospective investors of the Fund should refer to the Deed itself to confirm specific information or for a detailed understanding of the Fund. The Deed is available for inspection at the principal place of business of the Manager, at all ASNB Offices (refer to Section 13) and the principal place of business of the Trustee (refer to Section 2).

8.1 THE DEED

ASN Sukuk is a trust constituted by the Deed, as entered into between the Trustee and ASNB on 1 September 2022. The Deed came into effect when it was registered with the SC.

All Unit Holders are entitled to the benefit of and shall be bound by the terms and conditions of the Deed.

Pursuant to the Deed, the Trustee shall take into its custody or control all the assets of the Fund and hold the same in trust for the Unit Holders in accordance with the Deed and all relevant laws.

The Deed is governed by and shall be construed in accordance with the laws of Malaysia.

8.2 RIGHTS AND LIABILITIES OF UNIT HOLDERS

A Unit Holder shall, *inter alia*, have the right to attend and vote at meetings of Unit Holders, to participate in any increase in the value of the Units and receive distributions. However, no Unit Holder shall be entitled to require the transfer to him of any of the investments or assets of the Fund or to interfere with or question the exercise by the Trustee of the rights of the Trustee as the registered owner of such investments and assets. Ownership of Units shall not confer on a Unit Holder an interest in any particular part or asset of the Fund but only in the Fund as a whole.

The liability of a Unit Holder is limited to the purchase price paid for the Units. Unit Holders are not under any obligation to indemnify the Manager and/or the Trustee for losses incurred on behalf of the Fund which exceeds the value of the assets of the Fund, and any right of indemnity of the Manager and/or the Trustee shall be limited to recourse to the Fund.

A Unit Holder shall have the right and ability to take any action against the Manager and/or the Trustee for any breach of their duties under this Deed or any relevant law issued by the relevant authorities.

8.3 MAXIMUM FEES AND CHARGES PERMITTED BY THE DEED

The Manager is permitted to charge an annual management fee at a rate not exceeding one point five per centum (1.5%) per annum of the NAV of the Fund, calculated and accrued on a daily basis. The Trustee shall be entitled to an annual trustee fee at a rate not exceeding zero point zero five per centum (0.05%) per annum of the NAV of the Fund, calculated and accrued on a daily basis. Details of the annual management fee and the annual trustee fee are set out in Section 4.2 of this Prospectus.

The Manager shall be entitled to charge a sales charge of up to ten per centum (10.0%) of the invested amount. Details of the sales charge are set out in Section 4.1 of this Prospectus.

8.4 INCREASE IN FEES AND CHARGES FROM THE LEVEL DISCLOSED IN THE PROSPECTUS AND THE MAXIMUM RATE PROVIDED IN THE DEED

The annual management fee shall not exceed the amount stated in the Deed. The Manager may not charge an annual management fee at a rate higher than that disclosed in this Prospectus unless the Manager and the Trustee have agreed on a higher rate in accordance with the Deed. The Manager must notify Unit Holders of the higher rate and the effective date.

The annual trustee fee shall not exceed the amount stated in the Deed. The Trustee may not charge an annual trustee fee at a rate higher than that disclosed in this Prospectus unless the Manager and the Trustee have agreed on a higher rate. The Manager must notify Unit Holders of the higher rate and the effective date.

The sales charge shall not exceed that as set out in the Sixth Schedule of the Deed. The Manager may only charge a higher sales charge than that disclosed in this Prospectus in accordance with the Deed and all relevant laws.

8.5 PERMITTED EXPENSES PAYABLE OUT OF THE FUND'S PROPERTY

Only expenses that are directly related and necessary may be charged to the Fund. These include (but are not limited to) the following:

- (a) commissions/fees paid to brokers in effecting dealings in the investments of the Fund;
- (b) taxes and other duties;
- (c) auditor's and valuer's costs and fees;
- (d) costs incurred for modification of the Deed or for meetings of Unit Holders (save where such modification or meeting is convened is for the benefit of the Manager and/or the Trustee);
- (e) costs, commissions, fees and expenses for the sale, purchase, insurance and any other dealing of any asset of the Fund;
- (f) costs, fees and expenses incurred in engaging any specialist, valuer or adviser for the benefit of the Fund;
- (g) remuneration and out of pocket expenses of the independent members of the Investment Committee of the Fund;
- (h) costs, fees and expenses 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;
- (i) costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund);
- (j) costs, fees and expenses incurred in the termination of the Fund or the removal of the Trustee or the Manager and the appointment of a new trustee or management company; and
- (k) where the custodial function for the Fund's assets outside Malaysia is delegated by the Trustee, charges or fees paid to the sub-custodians.

The Deed provides that expenses associated with the management and administration of the Fund, such as general overheads and costs for services expected to be provided by the Manager, shall not be charged to the Fund. The Trustee shall ensure that all expenses charged to the Fund are legitimate, not excessive or beyond standard commercial rates.

8.6 REMOVAL, RETIREMENT AND REPLACEMENT OF THE TRUSTEE

The Trustee may retire upon giving twelve (12) months' notice to the Manager of its desire to do so, or such shorter period as the Manager and the Trustee shall agree, and may by Deed appoint in its stead a new trustee approved by the SC. Pursuant to Section 299 of the Act, it is the duty of the Manager to remove the Trustee as soon as it becomes aware that the Trustee:

- (a) has ceased to exist;
- (b) has not been validly appointed;
- (c) is not eligible to be appointed or to act as Trustee under Section 290 of the Act;
- (d) has failed or refused to act as Trustee in accordance with the provisions or covenants of the Deed or the provisions of the Act;
- (e) is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 2016, or any securities laws; or
- (f) when 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).

The Trustee may be removed and another trustee (duly approved as aforesaid) may be appointed by a special resolution of the Unit Holders at a duly convened meeting of which notice has been given to the Trustee and the Manager. The Manager will summon a meeting of the Registered Holders for the purpose of considering and if thought fit, passing a resolution for the removal of the Trustee in the event that the Unit Holders request the Manager to do so, in the manner as stated in the Deed.

8.7 TERMINATION OF THE FUND

The Manager may in its absolute discretion determine the Trust hereby created and wind up the Fund at any time. Upon the termination of the Trust by the Manager, the Trustee shall as soon as practicable, give to each Unit Holder of the Fund notice of such termination and the Manager shall notify the existing Unit Holder of the Fund in writing of the options available to them.

The Trustee shall, in any of the following events:

- (a) if the Manager has gone into liquidation, except for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee and the relevant authorities;
- (b) if, in the opinion of the Trustee, the Manager has ceased to carry on business; or
- (c) if, in the opinion of the Trustee, the Manager has to the prejudice of the Unit Holders, failed to comply with the provisions of the Deed or contravened any of the provisions of any relevant law,

summon a meeting of Unit Holders in accordance with the provisions of the Deed for the purpose of seeking directions from the Unit Holders. If at any such meeting a Special Resolution to terminate the Trust in respect to the Fund and to wind-up the Fund is passed by the Unit Holders, the Trustee shall apply to the court for an order confirming such Special Resolution.

8.8 UNIT HOLDERS' MEETING

Unless otherwise required or allowed by the relevant laws, the Manager shall, within twenty one (21) days of receiving an application from not less than fifty (50) or one-tenth (1/10) of all the Unit Holders, whichever is the lesser, convene a meeting of the Unit Holders. The Unit Holders may apply to the Manager to summon a meeting for any purpose.

The Trustee and the Manager may convene a Unit Holders' meeting in accordance with the Deed for any purpose.

The quorum required for a meeting of the Unit Holders shall be one hundred (100) of the number of Unit Holders on the register. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of the business.

The Unit Holders may participate in a Unit Holders' meeting vide video-conferencing, web-based communication, electronic or such other mode of electronic communication facilities or technologies available from time to time and to vote at the Unit Holders' meeting.

Unless otherwise prescribed by the relevant laws, a Unit Holders' meeting summoned pursuant to the Deed shall be held not later than two (2) months after the notice was given, at the time and place stipulated in the notice and advertisement (if any).

9. APPROVALS AND CONDITIONS

9.1 EXEMPTIONS AND/OR VARIATIONS FROM THE GUIDELINES

The SC, via its letter dated 16 December 2021 has granted ASNB and the Fund, variations from the following provisions of the Guidelines:

CLAUSE	REQUIREMENT	VARIATION GRANTED
CREATION AND CANCELLATION OF UNITS		
Guideline 2021: Clause 8.06 Guideline 2020: Clause 10.06	A trustee should create or cancel Units immediately on receipt of, and in accordance with, the instructions given by the management company and only for cash.	Variation is sought to allow ART as the trustee, to create or cancel units on receipt of, and in accordance with, the instruction given by the management company not only for cash, but also for investment or both.

10. RELATED PARTY TRANSACTIONS/ CONFLICT OF INTEREST

10.1 EXISTING AND POTENTIAL RELATED PARTY TRANSACTIONS

- (i) PNB has been appointed as the Investment Manager of the Fund. As ASNB is a wholly-owned subsidiary of PNB, the appointment of PNB as the Investment Manager is deemed a related party transaction.
- (ii) Jewel Digital Venture Sdn Bhd (JDV) has been appointed by ASNB as the service provider for the provision of e-KYC service and other ASNB digital-related services. JDV is a wholly owned subsidiary of PNB Equity Resource Corporation Sdn. Bhd., which in turn is wholly owned by PNB. ASNB, as a wholly owned subsidiary of PNB, is therefore a related party with JDV.
- (iii) Raiz Malaysia is one of ASNB's clients and currently subscribes to ASNB's umbrella funds under their micro investing investment platform Institutional Client under the nominee model. JDV, which is a wholly owned subsidiary of PNB Equity Resource Corporation Sdn. Bhd, has 30% shareholding in Raiz Malaysia. PNB Equity Resource Corporation Sdn. Bhd. in turn, is wholly owned by PNB. Therefore, ASNB, as a wholly owned subsidiary of PNB, is a related party with Raiz Malaysia.

The Deed of ASN Sukuk allows for the purchase and sale of authorized investments by the Fund from and to PNB. Transactions between PNB and the Fund are permissible provided always the transactions are for the benefit of Unit Holders. There are policies and procedures in place to address these transactions which have been verified by the Compliance Department of PNB.

10.2 CONFLICT OF INTEREST

Encik Muzzaffar Othman the Chief Executive Officer/Executive Director of ASNB is also the member of the Board of Director of JDV and Raiz Malaysia.

10.3 POLICIES ON DEALING WITH CONFLICT OF INTEREST SITUATIONS

The Manager has in place the policies and procedures to deal with any conflict-of-interest situations. In making an investment transaction for the Fund, the Investment Manager will not make improper use of its position in managing the Fund to gain, directly or indirectly, any advantage or to cause detriment to the interests of Unit Holders.

Where a conflict or potential conflict of interest is identified, this must be evaluated by the Compliance Department and disclosed to the Executive Director ("ED") of the Manager for the next course of action. Conflict of interest situations involving the ED will be disclosed to the Board of Directors of the Manager for a decision on the next course of action. Directors or staff, who are in advisory positions such as portfolio managers or staff who have access to information on transactions, are not allowed to engage in dealings on their own account. Investment Committee members who hold substantial shareholdings or directorships in public companies shall refrain from any decision making if the Fund invests in the particular shares or stocks of such companies.

The Manager and the Investment Manager have formulated policies and adopted certain procedures to prevent conflicts of interest and potential conflicts of interest situations.

These include the following:

- (a) The adoption of the PNB Group's Policy on Personal Trading on the Acquisition and Disposal of Securities. The Policy includes a requirement for all employees to obtain prior approval from President & Group Chief Executive and Head of Compliance or any other authorized person for acquisition or disposal of identified securities as permissible in the Policy. Any transactions are then followed by post declaration of interest, except for identified low-risk securities which require neither prior approval nor post declaration.
- (b) Limits set when using brokers and/or financial institutions for dealings of the investments of the unit trust fund.
- (c) Duties for making investment decisions, raising accounting entries, and making payments are properly segregated and carried out by different departments which are headed by separate persons.
- (d) Investment procedures, authorised signatories and authorised limits are properly documented in the ISO Manual of the PNB Group.
- (e) The setting up of the Compliance Committee of the PNB Group, a committee of the Board of Directors of PNB, whose duties include reviewing compliance issues, including conflicts of interest situations.
- (f) Holding regular meetings with the Trustee to discuss issues related to the management of the unit trust fund, including conflicts of interest situations.
- (g) The establishment of appropriate "Chinese Walls" to prevent conflict of interest situations.
- (h) In addition, as required by the Guidelines, we have appointed a Compliance Officer whose duties include monitoring and resolving conflicts of interest situations in relation to unit trust funds managed and administered by us, and within the Management Company itself. To date, we and the Investment Manager are not aware of any conflict of interest situation which has arisen.

10.4 DECLARATION OF CONFLICT OF INTEREST

Messrs. Zainal Abidin & Co has confirmed that there is no conflict of interest in their capacity as legal advisors to ASNB.

Messrs. Ernst & Young PLT has confirmed that there is no conflict of interest in their capacity as reporting accountants to ASNB.

11. TAXATION OF THE FUND

Taxation adviser's letter in respect of the taxation of the unit trust fund and the unit holders (prepared for inclusion in this prospectus)

Ernst & Young Tax Consultants Sdn Bhd
Level 23A Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur

The Board of Directors
Amanah Saham Nasional Berhad
37th Floor, Bangunan PNB
201-A, Jalan Tun Razak
50400 Kuala Lumpur

Dear Sirs

Taxation of the unit trust and unit holders

This letter has been prepared for inclusion in this Prospectus in connection with the offer of units in the unit trust known as ASN Sukuk (hereinafter referred to as "the Fund").

The purpose of this letter is to provide prospective unit holders with an overview of the impact of taxation on the Fund and the unit holders.

Taxation of the Fund

The taxation of the Fund is subject to the provisions of the Malaysian Income Tax Act 1967 ("MITA"), particularly Sections 61 and 63B.

Subject to certain exemptions, the income of the Fund comprising profit and other investment income derived from or accruing in Malaysia after deducting tax allowable expenses, is subject to Malaysian income tax at the rate of 24% with effect from the year of assessment 2016.

Under Section 2(7) of the MITA, 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 (hereinafter referred to as "profits") and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of *Syariah*, will be accorded the same tax treatment as if they were interest.

Tax allowable expenses would comprise expenses falling under Section 33(1) and Section 63B of the MITA. Section 33(1) permits a deduction for expenses that are wholly and exclusively incurred in the production of gross income. In addition, Section 63B allows unit trusts a deduction for a portion of other expenses (referred to as 'permitted expenses') not directly related to the production of income, as explained below.

“Permitted expenses” refer to the following expenses incurred by the Fund which are not deductible under Section 33(1) of the MITA:

- the manager's remuneration,
- maintenance of the register of unit holders,
- share registration expenses,
- secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage.

These expenses are given a partial deduction under Section 63B of the MITA, based on the following formula:

$$A \times \frac{B}{4C}$$

- where,
- A is the total of the permitted expenses incurred for that basis period;
 - B is gross income consisting of dividend¹, interest and rent chargeable to tax for that basis period; and
 - C is the aggregate of the gross income consisting of dividend¹ and interest (whether such dividend or interest is exempt or not) and rent, and gains made from the realisation of investments (whether chargeable to tax or not) for that basis period,

provided that the amount of deduction to be made shall not be less than 10% of the total permitted expenses incurred for that basis period.

Exempt income

The following income of the Fund is exempt from income tax:

- **Malaysian sourced dividends**
All Malaysian-sourced dividends should be exempt from income tax.

▪ **Malaysian sourced interest**

- (i) interest from securities or bonds issued or guaranteed by the Government of Malaysia;
- (ii) interest from debentures or *sukuk*, other than convertible loan stock, approved or authorized by, or lodged with, the Securities Commission;
- (iii) interest from Bon Simpanan Malaysia issued by Bank Negara Malaysia;
- (iv) interest derived from Malaysia and paid or credited by banks licensed under the Financial Services Act 2013 or the Islamic Financial Services Act 2013²;
- (v) interest derived from Malaysia and paid or credited by any development financial institution prescribed under the Development Financial Institutions Act 2002²;
- (vi) interest from *sukuk* originating from Malaysia, other than convertible loan stock, 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 (LFSA)³; and
- (vii) interest which is specifically exempted by way of statutory orders or any other specific exemption provided by the Minister.

¹ Pursuant to Section 15 of the Finance Act 2011, with effect from the year of assessment 2011, dividend income is deemed to include income distributed by a Unit trust which includes distributions from Real Estate Investment Trusts.

² Effective from 1 January 2019, the income tax exemption for a unit trust fund, pursuant to Paragraph 35A, Schedule 6 of the Income Tax Act shall not apply to a wholesale fund which is a money market fund.

³ Effective from the year of assessment 2017, the exemption shall not apply to interest paid or credited to a company in the same group or interest paid or credited to a bank licensed under the Financial Services Act 2013 or the Islamic Financial Services Act 2013; or a development financial institution prescribed under the Development Financial Institutions Act 2002.

▪ Discount

Tax exemption is given on discount paid or credited to any unit trust in respect of investments as specified in items (i), (ii) and (iii) above.

Foreign sourced income

Pursuant to the Finance Act 2021, income derived by a resident person from sources outside Malaysia and received in Malaysia from 1 January 2022 will be subject to tax. Foreign sourced income (FSI) received in Malaysia during the transitional period from 1 January 2022 to 20 June 2022 will be taxed at 3% of gross, and from 1 July 2022 onwards at the prevailing tax rate(s) of the taxpayer. Bilateral or unilateral tax credit may be allowed if the same income has suffered foreign tax, and where relevant conditions are met. On 30 December 2021 the Ministry of Finance (MOF) issued a press statement stating that certain types of FSI of resident taxpayers will continue to be exempt from tax, subject to conditions. This exemption will apply to the foreign-sourced dividend income of companies and limited liability partnerships, and all FSI of individuals (except individuals carrying out business in Malaysia through a partnership). The tax exemption will be effective for five years from 1 January 2022 to 31 December 2026 and will be subject to condition which will be outlined in guidelines issued by the Inland Revenue Board. Units trusts were not included in the MOF press statement and the relevant IRB guidelines have yet to be issued.

Gains from the realisation of investments

Pursuant to Section 61(1) (b) of the MITA, gains from the realisation of investments will not be treated as income of the Fund and hence, are not subject to income tax. Such gains may be subject to real property gains tax (RPGT) under the Real Property Gains Tax Act 1976 (RPGT Act), if the gains are derived from the disposal of chargeable assets, as defined in the RPGT Act.

Implementation of Sales and Service Tax ("SST")

Sales and Service Tax ("SST") was re-introduced effective 1 September 2018. Sales Tax of 10% (most common rate) or 5% is charged by Malaysian manufacturers of taxable goods or upon importation into Malaysia of such taxable goods, unless specifically exempted under the Sales Tax (Goods Exempted From Tax) order 2018. Service Tax at the rate of 6% is charged on certain prescribed taxable services performed by taxable persons as stipulated under Service Tax Regulation 2018. The input tax recovery mechanism under the previous Good and Service Tax ("GST") regime does not apply to SST. Therefore, any SST incurred is not recoverable and will form a cost element for businesses.

Based on the Service Tax Regulations 2018, a unit trust fund is neither regarded as a taxable person nor as providing taxable services and is therefore not liable for SST registration. Where the Fund incurs expenses such as management fees, the management services provided by asset and fund managers are specifically excluded from the scope of Service Tax. As for other fees, such as trustee fees and other administrative charges, these may be subject to 6% service tax provided they fall within the scope of service tax (i.e. are provided by a "taxable person", who exceeds the required annual threshold (in most cases RM 500,000 per annum) and the services qualify as "taxable services").

Taxation of unit holders

For Malaysian income tax purposes, unit holders will be taxed on their share of the distributions received from the Fund.

The income of unit holders from their investment in the Fund broadly falls under the following categories:

1. taxable distributions; and
2. non-taxable and exempt distributions.

In addition, unit holders may also realise a gain from the sale of units.

The tax implications of each of the above categories are explained below:

1. Taxable distributions

Distributions received from the Fund will have to be grossed up to take into account the underlying tax paid by the Fund and the unit holder will be taxed on the grossed up amount.

Such distributions carry a tax credit, which will be available for set-off against any Malaysian income tax payable by the unit holder. Should the tax deducted at source exceed the tax liability of the unit holder, the excess is refundable to the unit holder.

Please refer to the paragraph below for the income tax rates applicable to the grossed up distributions.

2. Non-taxable and exempt distributions

Tax exempt distributions made out of gains from the realisation of investments and exempt income earned by the Fund will not be subject to Malaysian income tax in the hands of the unit holders.

A retail money market fund is exempted from tax on its interest income derived from Malaysia, pursuant to Paragraph 35A of Schedule 6 of the ITA. Pursuant to the Finance Act 2021, with effect from 1 January 2022, distributions by a retail money market fund from such tax exempt interest income, to a unit holder other than an individual, will no longer be exempt from tax. The distribution to unit holders other than individuals will be subject to withholding tax at 24%. This would be a final tax for nonresidents. Malaysian residents are required to include the distributions in their tax returns and claim a credit in respect of the withholding tax suffered.

Individuals will continue to be exempt from tax on such distributions.

Rates of tax

The Malaysian income tax chargeable on the unit holders would depend on their tax residence status and whether they are individuals, corporations or trust bodies. The relevant income tax rates are as follows:

Unit holders	Malaysian income tax rates
Malaysian tax resident:	
Individual and non-corporate unit holders (such as associations and societies)	Progressive tax rates ranging from 0% to 30%
Co-operatives⁴	Progressive tax rates ranging from 0% to 24%
Trust bodies	24%
- Corporate unit holders (i) A company with paid up capital in respect of ordinary shares of not more than RM2.5 million (at the beginning of the basis period for the year of assessment) and gross income from a source or sources consisting of a business not exceeding RM50 million for the basis period for the year of assessment^{5 6} (ii) Companies other than (i) above	- First RM600,000 of chargeable income @ 17% - Chargeable income in excess of RM600,000 @ 24% 24%
Non-Malaysian tax resident (Note 1)	
- Individual and non-corporate unit holders - Corporate unit holders and trust bodies	30% 24%

Note 1:

Non-resident unit holders may be subject to tax in their respective countries depending on the provisions of the tax legislation in the respective countries and any existing double taxation arrangements with Malaysia.

⁴ Pursuant to Paragraph 12(1), Schedule 6 of the MITA, the income of any co-operative society—

- (a) in respect of a period of five years commencing from the date of registration of such co-operative society; and
- (b) thereafter where the members' funds [as defined in Paragraph 12(2)] of such co-operative society as at the first day of the basis period for the year of assessment is less than seven hundred and fifty thousand ringgit, is exempt from tax.

⁵ A company would not be eligible for the 17% tax rate on the first RM600,000 of chargeable income if:-

- (a) more than 50% of the paid up capital in respect of the ordinary shares of the company is directly or indirectly owned by a related company which has paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of a basis period for a year of assessment;
- (b) the company owns directly or indirectly more than 50% of the paid up capital in respect of the ordinary shares of a related company which has paid up capital in respect of ordinary shares of more than RM2.5million at the beginning of a basis period for a year of assessment;
- (c) more than 50% of the paid up capital in respect of the ordinary shares of the company and a related company which has a paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of a basis period for a year of assessment is directly or indirectly owned by another company.

⁶ The above excludes a business trust and a company which is established for the issuance of asset- backed securities in a securitization transaction approved by the Securities Commission.

Gains from sale of units

Gains arising from the realisation of investments will generally not be subject to income tax in the hands of unit holders unless they are insurance companies, financial institutions or traders/dealers in securities.

Unit splits and reinvestment of distributions

Unit holders may also receive new units as a result of unit splits or may choose to reinvest their distributions. The income tax implications of these are generally as follows:

- Unit splits – new units issued by the Fund pursuant to a unit split will not be subject to income tax in the hands of the unit holders.
- Reinvestment of distributions – unit holders may choose to reinvest their distribution in new units by informing the Manager. In this event, the unit holder will be deemed to have received the distribution and reinvested it with the Fund.

We hereby confirm that, as at the date of this letter, the statements made in this letter correctly reflect our understanding of the tax position under current Malaysian tax legislation and the related interpretation and practice thereof, all of which are subject to change, possibly on a retrospective basis. We have not been retained (unless specifically instructed hereafter), nor are we obligated to monitor or update the statements for future conditions that may affect these statements.

The statements made in this letter are not intended to be a complete analysis of the tax consequences relating to an investor in the Fund. As the particular circumstances of each investor may differ, we recommend that investors obtain independent advice on the tax issues associated with an investment in the Fund.

Yours faithfully

Ernst & Young Tax Consultants Sdn Bhd



Farah Rosley
Partner

Ernst & Young Tax Consultants Sdn Bhd has given its consent to the inclusion of the Taxation Adviser's Letter in the form and context in which it appears in this Prospectus and has not withdrawn such consent before the date of issue of this Prospectus.

12. DOCUMENTS AVAILABLE FOR INSPECTION

We and the Trustee shall make available the following documents or copies thereof, where applicable, which may be inspected without charge during normal business hours at the registered office of the Management Company or such other place as the SC may determine:

1. The Deed and supplemental Deed; if any.
2. Current Prospectus and supplemental or replacement prospectus; if any.
3. The latest annual and semi-annual reports of the Fund; if any.
4. Each material contract disclosed in this Prospectus and, in the case of a contract not reduced into writing, a memorandum which gives full particulars of the contract; if any.
5. Where applicable, the audited financial statements of the Manager and the Fund for the current financial year and the last three (3) financial years or if less than three (3) financial years or if less than three (3) years, from the date of incorporation or commencement; if any.
6. Any report, letter or other documents, valuation and statement by an expert, any part of which is extracted or referred to in this Prospectus, where applicable; if any.
7. Writ and relevant cause papers for all material litigation and arbitration disclosed in this Prospectus; if any.
8. Consent given by an expert disclosed in this Prospectus.

13. DIRECTORY

13.1 CUSTOMER SERVICE DEPARTMENT

Address	:	Amanah Saham Nasional Berhad Customer Services Department UG, Balai PNB 201-A, Jalan Tun Razak 50400 Kuala Lumpur
Fax	:	+603 – 2050 5220
ASNB Customer Service center	:	+603 – 7730 8899
Email	:	asnbcare@pnb.com.my
Website	:	www.asnb.com.my

13.2 ASNB MAIN BRANCH

KUALA LUMPUR (KAUNTER UTAMA)	PUTRAJAYA
Amanah Saham Nasional Berhad Kaunter Utama ASNB Tingkat 1, Balai PNB, 201-A, Jalan Tun Razak, 50400 Kuala Lumpur , Wilayah Persekutuan Kuala Lumpur	Amanah Saham Nasional Berhad Lot 27, Kompleks Perbadanan Putrajaya, Presint 3, Persiaran Perdana, 62675 Putrajaya , Wilayah Persekutuan Putrajaya
SELANGOR	
Amanah Saham Nasional Berhad Lot 18-1 &18-2, Pusat Dagangan UMNO Shah Alam, Persiaran Damai Seksyen 11, 40000 Shah Alam , Selangor	Amanah Saham Nasional Berhad No.7 Jalan Medan Niaga 2, Medan Niaga Kuala Selangor, 45000 Kuala Selangor , Selangor
MELAKA	NEGERI SEMBILAN
Amanah Saham Nasional Berhad No. 11 & 13, Kompleks Perniagaan Al Azim, Jalan KPAA 1, Bukit Baru, 75150 Melaka	Amanah Saham Nasional Berhad No. 120 & 121, Jalan Dato' Bandar Tunggal, 70000 Seremban , Negeri Sembilan
PERAK	
Amanah Saham Nasional Berhad No. 8 & 8A, Persiaran Greentown 1, Greentown Business Centre, 30450 Ipoh , Perak	Amanah Saham Nasional Berhad No. 273, Jalan Intan 12, Bandar Baru Teluk Intan, 36000 Teluk Intan , Perak

PAHANG	
Amanah Saham Nasional Berhad No. 71 & 73, Tingkat Bawah , Jalan Tun Ismail, 25000 Kuantan , Pahang	Amanah Saham Nasional Berhad No.8, Jalan Ahmad Shah, Bandar Seri Semantan, 28000 Temerloh , Pahang
PULAU PINANG	
Amanah Saham Nasional Berhad A-12A-1 dan A-12A-2 Lorong Bayan Indah 4, Bay Avenue, 11900 Bayan Lepas , Pulau Pinang	Amanah Saham Nasional Berhad No. 12, Jalan Todak 3, Pusat Bandar Seberang Jaya, 13700 Seberang Jaya , Pulau Pinang
PERLIS	TERENGGANU
Amanah Saham Nasional Berhad Lot 7, Jalan Indera Kayangan, 01000 Kangar , Perlis	Amanah Saham Nasional Berhad No. 15, Jalan Batas Baru, 20300 Kuala Terengganu , Terengganu <i>Ahad - Khamis</i> <i>8:15am - 4:00pm</i> <i>(Kecuali Cuti Umum)</i>
KELANTAN	
Amanah Saham Nasional Berhad Lot 1182 & 1183, Jalan Kebun Sultan, 15350 Kota Bharu , Kelantan <i>Ahad - Khamis</i> <i>8:15am - 4:00pm</i> <i>(Kecuali Cuti Umum)</i>	Amanah Saham Nasional Berhad No. 52, 52A & 52B, Jalan Pasir Puteh Sentral 2/5, 16800 Pasir Puteh , Kelantan <i>Ahad - Khamis</i> <i>8:15am - 4:00pm</i> <i>(Kecuali Cuti Umum)</i>
KEDAH	
Amanah Saham Nasional Berhad 27, Kompleks Shahab Perdana, Jalan Sultanah Sambungan, 05250 Alor Setar , Kedah	Amanah Saham Nasional Berhad No.51 dan 53, Jalan Perdana Heights 2/2, Perdana Heights, 08000 Sungai Petani , Kedah
JOHOR	
Amanah Saham Nasional Berhad No. 9 & 9A dan No. 10 & 10A, Jalan Abdul Rahman, Bandar Penggaram 83000 Batu Pahat Johor	Amanah Saham Nasional Berhad Lot No 12 & 14, Jalan Padi Emas 1/2, Uda Business Centre 81200 Johor Bahru Johor
Amanah Saham Nasional Berhad No.6 dan 7, Jalan Muhibbah, Taman Muhibbah, 85000 Segamat , Johor	

SABAH**Amanah Saham Nasional Berhad**

Tingkat Bawah dan Satu,
No. A-G-18 & A-1-18, Blok A,
Sutera Avenue, Jalan Coastal
88100 **Kota Kinabalu**,
Sabah

Amanah Saham Nasional Berhad

TB 4287 & TB 4280
Tingkat Bawah & 1 Town Ext II
Jalan Masjid, Kompleks Fajar Tawau
91000 **Tawau**,
Sabah

Amanah Saham Nasional Berhad

Tingkat Bawah, Lot 1,
Circular Blok A Harbour Town, Jalan Pantai,
91100 **Lahad Datu**,
Sabah

Amanah Saham Nasional Berhad

Lot 8 & 9, Blok B,
Pusat Komersil Datun, Jalan Masak,
89008 **Keningau**,
Sabah

Amanah Saham Nasional Berhad

Lot 15, Tingkat Bawah,
Bandar Pasaraya, Fasa I,
90000 **Sandakan**,
Sabah

SARAWAK**Amanah Saham Nasional Berhad**

Tingkat Bawah,
Lot 499, Al-Idrus Commercial Centre,
Seksyen 6, Jalan Kulas,
93400 **Kuching**,
Sarawak

Amanah Saham Nasional Berhad

Lot 1959, Tingkat Bawah Lot 1960 & 1961,
Marina Square Phase 2,
Marina Park City,
98000 **Miri**,
Sarawak

Amanah Saham Nasional Berhad

Sublot 2 & 3, Lot 4496, Junction 28,
Jalan Keppel,
97000 **Bintulu**,
Sarawak

Amanah Saham Nasional Berhad

Lot 1457 & 1458
Sg. Kudang Shophouse
Ground Floor, Jalan Buangsiol
98700 **Limbang**,
Sarawak

Amanah Saham Nasional Berhad

No. 4C, Tingkat Bawah
Lot 832 Jalan Sabu
95000 **Sri Aman**,
Sarawak

Amanah Saham Nasional Berhad

Lot 1007 & 1008
Jalan Kampung Nyabor
96000 **Sibu**,
Sarawak

14. LIST OF AGENTS

NO.	AGENTS
1	MALAYAN BANKING BERHAD
2	MAYBANK ISLAMIC BERHAD
3	CIMB BANK BERHAD
4	CIMB ISLAMIC BANK BERHAD
5	RHB BANK BERHAD
6	RHB ISLAMIC BANK BERHAD
7	RHB ASSET MANAGEMENT BERHAD
8	POS MALAYSIA BERHAD
9	BANK SIMPANAN NASIONAL
10	AFFIN BANK BERHAD
11	AFFIN ISLAMIC BANK BERHAD
12	ALLIANCE BANK MALAYSIA BERHAD
13	ALLIANCE ISLAMIC BANK BERHAD
14	AMBANK (M) BERHAD
15	AMBANK ISLAMIC BERHAD
16	BANK MUAMALAT MALAYSIA BERHAD
17	HONG LEONG BANK BERHAD
18	HONG LEONG ISLAMIC BANK BERHAD
19	BANK ISLAM MALAYSIA BERHAD



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