

**PROSPECTUS REQUIRED PURSUANT TO DIVISION 2 OF PART XIII OF THE
SECURITIES AND FUTURES ACT (CAP. 289) OF SINGAPORE**

relating to

RHB CHINA-ASEAN FUND

Prospectus

Dated 28 December 2018

DIRECTORY

Managers

RHB Asset Management Pte. Ltd.
(Company Registration Number: 200615687E)
10 Collyer Quay, #09-08 Ocean Financial Centre, Singapore 049315

Directors of the Managers

Mr. Yap Chee Meng
Dr. Ngo Get Ping
Ms. Ong Yin Suen, Eliza

Trustee / Registrar

BNP Paribas Trust Services Singapore Limited
(Company Registration No. 200800851W)
20 Collyer Quay, #01-01, Singapore 049319

Investment Advisor

Shenwan Hongyuan Singapore Private Limited
(Company Registration No. 201134060D)
61 Robinson Road, #12-02 Robinson Centre, Singapore 068893

Custodian / Administrator

BNP Paribas Securities Services, operating through its Singapore Branch
(Company Registration No. T08FC7287D)
20 Collyer Quay, #01-01, Singapore 049319

Auditors

PricewaterhouseCoopers LLP
7 Straits View, Marina One, East Tower, Level 12, Singapore 018936

Solicitors to the Managers

Chan & Goh LLP
50 Craig Road, #03-01, Singapore 089688

Solicitors to the Trustee

Tan Peng Chin LLC
30 Raffles Place, #11-00 Chevron House, Singapore 048622

RHB CHINA-ASEAN FUND

Important Information

RHB Asset Management Pte. Ltd. (the “**Managers**”) accepts full responsibility for the accuracy of the information contained in this Prospectus of the **RHB China-ASEAN Fund** (the “**Fund**”), and confirms, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no material facts the omission of which would make any statement herein misleading.

You should refer to the relevant provisions of the trust deed constituting the Fund (the “**Deed**”) and obtain independent professional advice in the event of any doubt or ambiguity. Copies of the Deed are available for inspection at the business address of the Managers at 10 Collyer Quay, #09-08 Ocean Financial Centre, Singapore 049315 at all times during usual business hours (subject to such reasonable restrictions as the Managers may impose).

This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation and may only be used in connection with the offering of units in the Fund (“**Units**”). No representation is made as to the tax status of the Fund.

The Units may not be directly or indirectly offered or sold in the United States of America or any of its states, territories, possessions or other areas subject to its jurisdiction (the “**United States**”) or for the benefit of a United States resident. If at any time it shall come to the knowledge of the Managers that any Units are held by or in the beneficial ownership or under the control of a United States resident, the Managers shall have the right, on giving written notice, to purchase from the Holder such Units at the Realisation Price (as described in paragraph 11 of this Prospectus) or to require the Holder of such Units to transfer all such Units to a person who is not a United States resident.

Investment in the Fund requires consideration of the normal risks involved in investing and participating in collective investment schemes. You should carefully consider the risks of investing in the Fund. Details of the risks involved are set out in paragraph 9 of this Prospectus. You should consider these risks carefully before making an investment decision. You should note that your investments can be volatile and that the value of Units may decline as well as appreciate. Hence there can be no assurance that the Fund will be able to attain its objective. The prices of Units as well as income from them may go up as well as down to reflect changes in the value of the Fund. An investment should only be made by those persons who can sustain losses on their investments. You should also satisfy yourself of the suitability of an investment in the Fund based on your personal circumstances.

The Fund may use financial derivative instruments for the purposes of hedging and/or efficient portfolio management. While the prudent use of derivatives can be beneficial, derivatives also involve risks different from and in certain cases, greater than, the risks presented by more traditional investments. Some structured derivative transactions are complex and may involve a high degree of loss.

You should seek independent professional advice to ascertain (a) the possible tax consequences; (b) the legal requirements; and (c) any foreign exchange restrictions or exchange control requirements which they may encounter under the laws of the countries of their citizenship, residence or domicile, and which may be relevant to the subscription, holding or disposal of Units and should inform themselves of and observe all applicable laws and regulations of any relevant jurisdiction that may be applicable to them.

No person, other than the Managers, has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, subscription or sale of Units, other than those contained in this Prospectus and, if issued, given or made, such advertisement, information or representations must not be relied upon as having been authorised by the Managers.

You should note that the Units are not listed on any stock exchange and that there is no secondary market for the Fund. You may purchase, cancel or realise your Units through the approved distributors of the Managers subject to the ultimate discretion of the Managers in respect of the purchase or realisation of your Units in accordance with the provisions in the Deed.

Applications may be made in other jurisdictions to enable the Units to be marketed freely in those jurisdictions.

Restriction on U.S. Persons on subscribing to the Fund

Persons to whom a copy of this Prospectus has been issued shall not circulate to any other person, reproduce or otherwise distribute this Prospectus or any information herein for any purpose whatsoever nor permit or cause the same to occur. In particular, please note that the Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any other applicable law of the United States (the “**U.S.**”). The Fund has not been and will not be registered as an investment company under the U.S. Investment Company Act of 1940, as amended. The Units are being offered and sold outside the U.S. to persons that are not “U.S. persons” (as defined in Regulation S promulgated under the U.S. Securities Act) in reliance on Regulation S promulgated under the U.S. Securities Act. The Units are not being offered or made available to U.S. persons and nothing in this Prospectus is directed to or is intended for U.S. persons.

For the purposes of the U.S. Securities Act, the term “U.S. person” means: (i) any natural person resident in the U.S.; (ii) any partnership or corporation organized or incorporated under the laws of the U.S.; (iii) any estate of which any executor or administrator is a U.S. person; (iv) any trust of which any trustee is a U.S. person; (v) any agency or branch of a non-U.S. entity located in the U.S.; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the U.S.; and (viii) any partnership or corporation if (a) organized or incorporated under the laws of any non-U.S. jurisdiction and (b) formed by a U.S. person principally for the purpose of investing in securities not registered under the U.S. Securities Act, unless it is organized or incorporated, and owned, by “accredited investors” (as defined in Regulation D promulgated under the U.S. Securities Act) who are not natural persons, estates or trusts.

For the purposes of the U.S. Securities Act, the term “U.S. person” does not include: (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organized, incorporated, or (if an individual), resident in the United States; (ii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. person if (a) an executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate and (b) the estate is governed by non-U.S. law; (iii) any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settler if the trust is revocable) is a U.S. person; (iv) an employee benefit plan established and administered in accordance with the law of a country other than the U.S.; (v) an agency or branch of a U.S. person located outside the U.S. if (a) the agency or branch operates for valid business reasons and (b) the

agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (vi) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, any other similar international organizations, and their respective agencies, affiliates and pension plans.

Foreign Account Tax Compliance Act

The Foreign Account Tax Compliance Act (the “**FATCA**”) was enacted by the U.S. Congress in March 2010 to target non-compliance with U.S. tax laws by U.S. persons using foreign accounts. FATCA requires all financial institutions (the “**FIs**”) outside the U.S. to periodically transmit information about financial accounts held by U.S. persons to the U.S. Internal Revenue Service (the “**U.S. IRS**”). FIs that fail to comply will face a 30% FATCA-related withholding tax on certain payments made from the U.S.

The Fund is obliged to comply with the provisions of FATCA under the terms of the Foreign Account Tax Compliance Act Model 1 intergovernmental agreement (the “**IGA**”) that has been signed between the U.S. Treasury and the Singapore Government and under the terms of Singapore legislation implementing the IGA when introduced rather than under the U.S. Treasury Regulations implementing FATCA.

In order to comply with its FATCA obligations, the Fund may be required to obtain certain information from its investors so as to ascertain their U.S. tax status. If the investor is a specified U.S. Person under the provisions of FATCA, U.S. owned non-U.S. entity, non-participating FI or if the investor does not provide the requisite documentation, the Fund will need to report information on these investors to the Inland Revenue Authority of Singapore, in accordance with applicable laws and regulations, which will in turn report this to the U.S. IRS.

Distributors and Holders should note that it is the existing policy of the Managers that Units are not being offered or sold for the account of U.S. Persons for the purposes of FATCA and that subsequent transfers of Units to such U.S. Persons are prohibited. If Units are beneficially owned by such U.S. Person, the Managers (in consultation with the Trustee) may compulsorily realise such Units pursuant to paragraph 20.5 of this Prospectus. Holders should note that under the FATCA legislation, the definition of “Specified U.S. Persons” will include a wider range of investors than the current U.S. Person definition.

Common Reporting Standard (CRS)

The Organisation for Economic Co-operation and Development (OECD) has developed a new global standard for the automatic exchange of financial information between tax authorities of signatory jurisdictions (the “**CRS**”). Singapore is a signatory jurisdiction to the CRS which was implemented in Singapore with effect from 1 January 2017.

The CRS sets out the financial account information to be exchanged, the FIs required to report, the different types of accounts and taxpayers covered, as well as the customer due diligence procedures to be followed by FIs. The CRS builds on the FATCA reporting regime to maximise efficiency and reduce costs for implementing jurisdictions and their FIs.

Under the CRS, a fund domiciled in a CRS participating jurisdiction will be required to comply with the CRS, which includes requiring such fund to perform due diligence on its investors and potentially report information on reportable persons to the local tax authorities of jurisdictions participating in the CRS.

Accordingly, the Fund (whether through the Managers, the Trustee, the Custodian or otherwise) is entitled to require investors to provide any information regarding their tax status, identity or tax residency in order to satisfy any reporting requirements which the Fund may have as a result of the CRS or any applicable legislation or regulation promulgated in connection with the CRS.

Any information (including the identity of any investor) supplied for purposes of compliance with the CRS, which is intended for the use by the Fund (or the Managers, the Trustee, the Custodian or any person in connection with the Fund) to satisfy the requirements under the CRS will, as far as is reasonably practicable, be treated in a confidential manner, except that the Fund, the Managers, the Trustee, the Custodian may disclose such information (i) to their respective officers, directors, agents and advisors, (ii) to the extent reasonably necessary or advisable in connection with tax matters, including achieving compliance with the CRS, (iii) to any person with the consent of the applicable Holder, or (iv) as otherwise required by law or court order or on the advice of the advisers to the Fund or the Managers, the Trustee or the Custodian.

Data Protection

Each investor hereby consents to the Managers and the Trustee (and such Third Party Service Providers as the Managers or the Trustee may engage, and who may be located outside Singapore) collecting, receiving, using, storing, disclosing and processing the investor's Personal Data (as defined in the Singapore Personal Data Protection Act) as set out in the investor's application form, subscription form, account opening documents and/or otherwise provided by the investor or possessed by the Managers or the Trustee to carry out their respective duties and obligations, or to enforce their respective rights and remedies, in connection with any investment by the investor into the Fund or any law applicable to the respective parties.

“**Third Party Service Providers**” includes but is not limited to, trustees, registrars, transfer agents, auditors and/or other professional service providers used in the provision of products and services to an investor and each investor hereby further consents to them collecting, receiving, using, storing, disclosing and processing the investor's Personal Data in their respective roles and capacities, where applicable.

All enquiries in relation to the Fund should be directed to the Managers or their duly authorised agent or distributor.

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RHB CHINA-ASEAN FUND

The Fund offered in this Prospectus is an authorised scheme under the Securities and Futures Act, Chapter 289 ("SFA"). A copy of this Prospectus has been lodged with and registered by the Authority. The Authority assumes no responsibility for the contents of this Prospectus. The registration of this Prospectus by the Authority does not imply that the SFA or any other legal or regulatory requirements have been complied with. The Authority has not, in any way, considered the investment merits of the Fund.

1. BASIC INFORMATION

- 1.1 The Fund is a Singapore authorised open-ended standalone unit trust.
- 1.2 The date of registration of this Prospectus with the Authority is 28 December 2018. This Prospectus shall be valid for 12 months after the date of registration (i.e., up to and including 27 December 2019) and shall expire on 28 December 2019.
- 1.3 The Fund is constituted as an open-ended standalone unit trust in Singapore on 28 November 2017 pursuant to a trust deed dated 28 November 2017 (the "**Deed**") entered into between the Managers and BNP Paribas Trust Services Singapore Limited (the "**Trustee**"). Copies of the Deed may be inspected at the business address of the Managers at 10 Collyer Quay, #09-08 Ocean Financial Centre, Singapore 049315 during normal business hours (subject to such reasonable restrictions as the Managers may impose) and will be supplied by the Managers upon request at a charge not exceeding SGD 25 per copy of the document (or such other amount as the Trustee and the Managers may from time to time agree). Unless specifically defined herein, all defined terms used in this Prospectus shall have the same meaning as used in the Deed.
- 1.4 The Deed is binding on the Managers, the Trustee and all unitholders of the Fund (the "**Holder**s") (and all persons claiming through such Holders) as if such persons had each been a party to the Deed. Much of the information in this Prospectus is a summary of corresponding provisions in the Deed. You should read the Deed for further details and for further information which is not contained in this Prospectus.
- 1.5 **Accounts and Reports**
- Copies of the latest semi-annual and annual reports, semi-annual and annual accounts as well as the auditor's report on the annual accounts relating to the Fund, when available, may be obtained from the Managers upon request at their operating office during normal business hours (subject to such reasonable restrictions as the Managers may impose).

2. THE MANAGERS

The Managers of the Fund

- 2.1 The Managers are RHB Asset Management Pte. Ltd., whose registered office is at 10 Collyer Quay, #09-08 Ocean Financial Centre, Singapore 049315.

The Managers are a company incorporated with limited liability in Singapore on 20 October 2006 and hold a Capital Markets Services Licence for Fund Management issued by the Authority. The Managers are an indirect wholly owned subsidiary of RHB Investment Bank Berhad which is in turn, wholly owned by RHB Bank Berhad, a company listed on the stock exchange of Malaysia.

The Managers have been managing collective investment schemes and mandates in Singapore since 2006. As at 31st October 2018, the Managers manage/advise approximately SGD 1,717.35 million of assets.

The Managers are entitled to delegate certain or all of their duties. The Managers have delegated the accounting and valuation function in respect of the Fund to the Administrator, whose details are set out in paragraph 4.4 below.

The Managers maintain professional indemnity insurance coverage which complies with the requirements under applicable laws, regulations and guidelines, or as directed by the Authority.

Please refer to the Deed for details on the Managers' role and responsibilities.

Investors should note that the past performance of the Managers is not necessarily indicative of their future performance.

The Investment Advisor of the Fund

- 2.2** The Managers have appointed Shenwan Hongyuan Singapore Private Limited as the investment advisor (the "**Investment Advisor**") to leverage on their expertise in the China and Hong Kong markets. The Investment Advisor is licensed and regulated by the Authority.

The Investment Advisor was incorporated in Singapore in November 2011. In October 2013, the Investment Advisor was granted a Capital Markets Services ("**CMS**") Licence for Dealing in Securities to engage in the business of providing research and dealing in securities (brokerage) services to Singapore institutional and accredited investors to trade in Hong Kong and China capital markets. In May 2016, the Investment Advisor was further granted the CMS licence for Fund Management to principally engage in the business of providing advisory services to institutional and accredited investors on making allocation to investment managers/advisers, and to manage funds by making allocation to other third-party managers and/or advisers based on its in-house manager selection methodology.

The Investment Advisor has a non-discretionary role and will provide advice and recommendations to the Manager as to the investments of the Fund.

The fees of the Investment Advisor are paid by the Managers out of their Management Fee and are not paid out of the assets of the Fund.

You should note that past performance of the Investment Advisor is not necessarily indicative of the future performance of the Investment Advisor.

- 2.3 Directors and key executive of the Managers**

Mr. Yap Chee Meng, Chairman and Non-Executive Director

Mr. Yap Chee Meng ("**Mr Yap**") was appointed as an Independent Non-Executive Chairman of RHB Asset Management Pte Ltd. on 2 July 2018.

Mr. Yap qualified as a UK Chartered Accountant in 1981, and now remains as a non-practising Fellow of the Institute of Singapore Chartered Accountants and a non-practising Fellow of the Institute of Chartered Accountants in England & Wales.

Mr. Yap was KPMG International's Chief Operating Officer for the Asia Pacific Region and a member of its Global Executive Team from 1 October 2010 to 30 September 2013. Prior

to 1 October 2010, he was a senior partner in KPMG Singapore and part of the firm's leadership team. Mr. Yap's key appointments then (within KPMG locally, regionally and globally) included Asia Pacific Head of Financial Services, Singapore Head of Financial Services, Singapore Head of Real Estates and Specialised REITs Group, a Member of KPMG International's Professional Indemnity Insurance Steering Committee and a Member of KPMG International's Financial Services Leadership Committee.

In his career spanning over 37 years of experience in the financial and accounting sector, he has also served in various professional / regulatory committees of the Singapore Accounting & Corporate Regulatory Authority and the Institute of Certified Public Accountants of Singapore.

Mr. Yap's other current directorships include RHB Investment Bank Berhad, RHB Securities Singapore Pte Ltd, AXA Insurance Pte Ltd (Independent Non-Executive Chairman), SATS Ltd, Keppel Land Limited, The Esplanade Co Ltd and Pavilion Gas Pte Ltd. He is also the Chairman of RHB Asset Management Sdn Bhd., RHB Islamic International Asset Management Berhad and RHB Asset Management Limited.

Dr. Ngo Get Ping, Non-Executive Director

Dr. Ngo Get Ping ("**Dr. Ngo**") graduated from University of Oxford, United Kingdom, with DPhil in Metallurgy in 1984. He was given the best student award by the Institute of Civil Engineers, United Kingdom, in 1980 for his outstanding academic achievements.

In 1986, after a short stint with a soil specialist construction firm, Dr. Ngo joined GIC (Singapore) Pte Ltd as an Investment Officer specializing in North America securities investments and in bonds and currency investments in Europe. He then joined James Capel Asia Pte Ltd as an Associate Director from 1988 to 1993, where he was involved in Europe and Australian equities markets. Subsequently, Dr. Ngo was attached to Nomura Securities Singapore Pte Ltd as a Senior Vice President, where he was in charge of equities in Asia Market ex-Japan from 1994 to 1996. Prior to his retirement in 2006, Dr. Ngo was the Head of Sales and Executive Director/Deputy Country Head of CLSA Singapore Pte Ltd, a leading independent brokerage and investment group in Asia for a period of 10 years, where he oversaw the marketing team for equities market.

Dr. Ngo has vast experience in the securities and investment-banking arena, spending over 20 years of his career in various global financial institutions. He has a wide range of experience in the regional financial industry, including securities broking, corporate finance, share underwriting and placement, corporate re-structuring and equity capital markets. His regional experience in the capital markets will be valuable to the Bank, particularly in its aspiration to become a leading investment bank in the region. Dr. Ngo is a person with integrity and is a well-respected individual in the securities and investment banking industry in Singapore.

Ms. Ong Yin Suen, Eliza, Executive Director

Ms. Ong Yin Suen, Eliza ("**Ms. Ong**") joined OSK Holdings Berhad in 2002 as the personal assistant to Mr. Ong Leong Huat, the Group Managing Director/Chief Executive Officer of OSK Holdings Berhad. Prior to that, she worked in Australia with National Australia Bank Limited. During her tenure, she held various positions within the bank and gained exposure within the Global Credit Bureau (with portfolios in wholesale banking and bank and sovereign

risk) as well as the Asset Structuring department. Ms. Ong holds a Master of Business (Banking and Finance) from Monash University, Australia and is a senior associate member of Australasian Institute of Banking and Finance (AIBF), Certified Treasury and Finance Professional (CTFP) and a Certified Financial Planner. She is also a director of Land Management Sdn Bhd, 3 Fairies Holdings Sdn Bhd, Regal Meridian Sdn Bhd, RHB Asset Management Pte. Ltd. and Echelon Sdn Bhd as well as a Managing Director of RHB Asset Management Sdn Bhd. She is also a board member of RHB International Investments Pte Ltd, RHB Asset Management Pte Ltd, RHB Nominees Singapore Pte Ltd, RHB GC-Millennium Capital Pte Ltd and Summit Nominees Pte Ltd in Singapore, PT RHB Asset Management Indonesia, RHB Asset Management Limited and RHB Fideus Asia and Emerging Markets Value Fund Limited in Hong Kong, RHB International Asset Management Sdn Bhd (formerly known as RHB OSK International Asset Management Sdn Bhd) and RHB Private Equity Holdings Sdn Bhd.

Ms. Geraldine Eu, Portfolio Manager

Geraldine is a senior portfolio manager who manages ASEAN portfolios and discretionary mandates. She has over 11 years of experience in investment management. Since 2013, Geraldine was a discretionary investment manager with private banks including ABN AMRO Bank N.V. and HSBC Bank (Singapore) Limited. Prior to joining HSBC, she performed the role of Investment Advisor for equities in BNP Paribas (Wealth Management) between 2010 to 2013. Previously, she spent two years with NewSmith Capital Partners (Asia) Pte. Ltd, a long-short Asian equity fund, as a Research Analyst covering the Financial, Transport and Consumer Discretionary sectors. She started as an Equity Research Analyst covering Marine, Technology and Construction sectors with Kim Eng Securities Pte. Ltd in 2006. She holds a Bachelor of Business Management in Finance from the Singapore Management University.

3. THE TRUSTEE

The Trustee is BNP Paribas Trust Services Singapore Limited (Company Registration No.: 200800851W) and its registered address is at 20 Collyer Quay, #01-01, Singapore 049319. The Trustee is approved and regulated by the Authority.

4. OTHER PARTIES

4.1 The Registrar

The registrar of the Fund is the Trustee (the "**Registrar**") and the register of Holders (the "**Register**") maintained by the Registrar can be inspected at 20 Collyer Quay, #01-01, Singapore 049319 during usual business hours subject to such closure of the Register in accordance with the Deed and such reasonable restrictions as the Managers or the Registrar may impose. Each Register is conclusive evidence of the number of units ("**Units**") in the Fund, or Class thereof, held by each Holder and the details in each Register shall prevail in the event of any discrepancy between the entries in each Register and the details appearing on any statement of holding, unless the Holder proves to the satisfaction of the Managers and the Trustee that such Register is incorrect.

4.2 The Auditors

The auditors for the Fund are PricewaterhouseCoopers LLP of 7 Straits View, Marina One, East Tower, Level 12, Singapore 018936.

4.3 The Custodian

The custodian in respect of the Deposited Property¹ of the Fund is BNP Paribas Securities Services, operating through its Singapore Branch (Company Registration No.: T08FC7287D) (the “**Custodian**”), and its registered address is at 20 Collyer Quay, #01-01, Singapore 049319. The Custodian is licensed and regulated in Singapore by the Authority.

The Custodian is a global custodian with direct market access in certain jurisdictions and for other markets it engages selected sub-custodians. Any sub-custodian appointed by the Custodian must be regulated in its home jurisdiction. In respect of its sub-custodians, the Custodian operates a selection and on-going monitoring program based on defined criteria which include financial strength, reputation, and breadth and quality of services provided, such as communication capabilities, settlement, safekeeping, corporate action notification and processing, dividend collection and payment, client service delivery, market information management, asset segregation and business continuity planning.

4.4 The Administrator of the Fund is BNP Paribas Securities Services, operating through its Singapore Branch, with its registered address at 20 Collyer Quay, #01-01, Singapore 049319. The Managers have delegated their administration and valuation functions in respect of the Fund to the Administrator.

4.5 Counterparties and brokers

Counterparties, brokers and/or prime brokers (if any) that are used by the Fund are selected from an approved panel and their appropriateness for continuous use by the Managers is reviewed on a regular basis. For inclusion into the panel, due diligence on the counterparties, brokers and/or prime brokers must be completed by the Managers and the relevant internal approvals must be obtained.

5. STRUCTURE OF THE FUND

5.1 The Fund is a Singapore-authorized standalone unit trust. The base currency of the Fund is USD².

5.2 The Managers have the discretion to establish different classes of Units (each a “**Class**” and collectively the “**Classes**”) from time to time. As of the date of registration of this Prospectus, the Classes established within the Fund are as follows:

Name of Class	Currency of denomination
Class A Units (SGD)	SGD ³
Class A Unit (USD)	USD

¹ “**Deposited Property**” means all of the cash assets and other property for the time being comprised in the Fund or deemed to be held upon the trusts of the Deed for account of the Fund excluding any amount for the time being standing to the credit of the Distribution Account (as defined in the Deed) of the Fund.

² “**USD**” means the lawful currency of the United States of America.

³ “**SGD**” means the lawful currency of the Republic of Singapore.

Class A Units (RMB)	RMB ⁴
Class I Units (SGD) [^]	SGD
Class I Unit (USD) [^]	USD
Class I Units (RMB) [^]	RMB

[^] Class I Units may only be offered to institutional investors.

- 5.3** The Classes in the Fund may differ, amongst other things, in terms of the currency of denomination, minimum initial investment amount and minimum subsequent investment amount, types of investors etc.
- 5.4** All Classes will constitute the Fund and are not separate funds. Any expense, income and/or gain which is attributable to a particular Class shall be deducted from or added to (as the case may be) the value of the Fund which is attributable to that Class.
- 5.5** A separate net asset value per Unit will be calculated for each Class. The net asset value per Unit of each Class will be calculated on each Dealing Day⁵ in the currency of the relevant Class.

6. THE CENTRAL PROVIDENT FUND INVESTMENT SCHEME (“CPFIS”)

The Fund is currently not included under the CPFIS.

7. INVESTMENT OBJECTIVE, FOCUS AND APPROACH

7.1 Investment Objective and Strategy

The investment objective of the Fund is to achieve medium to long-term capital appreciation by investing primarily in the equities of corporations listed on any Recognised Stock Exchange⁶ in any part of the world and which carry on significant business in, or whose operations are in, or which derive substantial revenue from, or whose subsidiaries, related or associated corporations derive substantial revenue from, China, Hong Kong and Southeast Asian countries including members of ASEAN (Association of Southeast Asian Nations).

The Fund may also, at times, be substantially invested in money market instruments and cash when necessary to preserve capital.

⁴ “RMB” means Renminbi, the lawful currency of the PRC.

“PRC” means the People’s Republic of China.

⁵ “Dealing Day” in relation to the issuance, cancellation and realisation of Units means every Business Day or such other day as provided in the Deed.

“Business Day” means any day (other than a Saturday, Sunday or gazetted public holidays) on which commercial banks are open for usual business in Singapore, or such other day or days as the Managers and the Trustee may agree in writing.

⁶ “Recognised Stock Exchange” means subject to the provisions of the Code, any stock exchange or over the counter market, any futures exchange and any organised securities market which is open to the public and on which securities are regularly traded, being in each case an exchange or market in any part of the world (including SGX-ST and Catalist) and in relation to any particular Investment includes any responsible firm, corporation or association in any country in the world so dealing in the Investment as to be expected generally to provide, in the opinion of the Managers, a satisfactory market for the Investment and is approved by the Trustee and in such case the Investment shall be deemed to be the subject of an effective permission to deal or be dealt in on the market deemed to be constituted by such firm, corporation or association.

“SGX-ST” means the Singapore Exchange Securities Trading Limited.

“Catalist” means SGX-ST sponsor-supervised board.

The Managers believe that active management can add value to investors. The Managers combine top-down fundamental research to identify economic and social trends and bottom-up stock research seeking out mispriced companies with quality characteristics focusing on business model (uniqueness of the business, market leadership, sector dynamics, competitor landscape, company specific demand-supply dynamics), profitability (earnings growth potential, revenue outlook, margin trend, earnings certainty), company financials (gearing analysis, currency exposure) and corporate governance (management, dividend policy).

The Fund is benchmark agnostic and the Managers aim to deliver sustainable outperformance relative to the benchmark over the medium to long-term by investing in mispriced quality stocks.

The Managers have engaged the Investment Advisor to leverage on their expertise in the China and Hong Kong markets ("**Greater China**"). The Investment Advisor performs macroeconomic market advisory and stock recommendations in relation to securities in the Greater China region. Investments will ultimately be made based on risk-reward profiles.

The Managers may use the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (collectively the "**Stock Connect**") to invest in China equities.

The Stock Connect

The Shanghai-Hong Kong Stock Connect is a securities trading and clearing links program developed by Hong Kong Exchanges and Clearing Limited ("**HKEX**"), Shanghai Stock Exchange ("**SSE**") and China Securities Depository and Clearing Corporation Limited ("**ChinaClear**") and the Shenzhen-Hong Kong Stock Connect is a securities trading and clearing links program developed by the HKEX, the Shenzhen Stock Exchange ("**SZSE**") and ChinaClear. The aim of the Stock Connect is to achieve mutual stock market access between the People's Republic of China ("**PRC**") and Hong Kong.

The Shanghai-Hong Kong Stock Connect comprises a Northbound Shanghai Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Trading Link, Hong Kong and overseas investors (including the Fund), through the brokers and a securities trading service company established by the Stock Exchange of Hong Kong ("**SEHK**"), may be able to trade eligible China A Shares listed on the SSE by routing orders to SSE. Under the Southbound Hong Kong Trading Link, investors in the PRC will be able to trade certain stocks listed on the SEHK. Under a joint announcement issued by the SFC and CSRC on 10 November 2014 the Shanghai-Hong Kong Stock Connect commenced trading on 17 November 2014. Under the Shanghai-Hong Kong Stock Connect, the Fund, through the brokers may trade certain eligible shares listed on the SSE. These include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except the following: (i) SSE-listed shares which are not traded in RMB; and (ii) SSE-listed shares which are included in the "risk alert board". It is expected that the list of eligible securities will be subject to review. The trading is subject to rules and regulations issued from time to time.

The Shenzhen-Hong Kong Stock Connect comprises a Northbound Shenzhen Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shenzhen Trading Link, Hong Kong and overseas investors (including the Fund), through the brokers and a securities trading service company established by the SEHK, may be able to trade eligible

China A Shares listed on the SZSE by routing orders to SZSE. Under the Southbound Hong Kong Trading Link, investors in the PRC will be able to trade certain stocks listed on the SEHK. Under a joint announcement issued by the SFC and the CSRC on 25 November 2016 the Shenzhen-Hong Kong Stock Connect commenced trading on 5 December 2016. Under the Shenzhen-Hong Kong Stock Connect, the Fund, through the brokers may trade certain eligible shares listed on the SZSE. These include any constituent stock of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which has a market capitalisation of RMB6 billion or above and all the SZSE-listed China A Shares which have corresponding H shares listed on SEHK, except the following: (i) SZSE-listed shares which are not traded in RMB; and (ii) SZSE-listed shares which are included in the “risk alert board” or under a delisting arrangement. At the initial stage of the Northbound Shenzhen Trading Link, investors eligible to trade shares that are listed on the ChiNext Board of SZSE under the Northbound Shenzhen Trading Link will be limited to institutional professional investors (and the Fund will qualify as such) as defined in the relevant Hong Kong rules and regulations. It is expected that the list of eligible securities will be subject to review. The trading is subject to rules and regulations issued from time to time.

Trading under the Stock Connect will initially be subject to a maximum cross-boundary investment quota (“Aggregate Quota”), together with a daily quota (“**Daily Quota**”). The Northbound Shanghai Trading Link and the Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect and the Northbound Shenzhen Trading Link and the Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect will be subject to a separate set of Aggregate and Daily Quota respectively. The Northbound Aggregate Quota caps the absolute amount of fund inflow into the PRC. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Stock Connect each day. Hong Kong Securities Clearing Company Limited (“**HKSCC**”), a wholly-owned subsidiary of HKEX, and ChinaClear will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by their respective market participants and investors. The China A Shares listed on the SSE and the SZSE traded through Stock Connect are issued in scripless form, and investors will not hold any physical China A Shares. Although HKSCC does not claim proprietary interests in the SSE securities and SZSE securities held in its omnibus stock account in ChinaClear, ChinaClear as the share registrar for SSE and SZSE listed companies will still treat HKSCC as one of the shareholders when it handles corporate actions in respect of such SSE securities and SZSE securities. In addition to paying trading fees, levies and stamp duties in connection with trading in China A Shares, new fees may also arise from trading of China A Shares via the Stock Connect which are yet to be determined and announced by the relevant authorities.

The investments of the Fund will be broadly diversified with no specific industry or sectoral emphasis.

The Fund shall comply with Appendix 1 of the Code on Collective Investment Schemes issued by the Authority, as amended from time to time (the “**Code**”).

The Managers may in their absolute discretion, subject to the applicable investment restrictions as may from time to time be prescribed by the Authority, invest in financial derivative instruments (“**FDIs**”) for the purposes of hedging and/or efficient portfolio management.

Asset Allocation

The geographical asset allocation of the Fund will be reviewed and determined on a quarterly basis and variations may be made depending on prevailing market conditions.

The Managers intend to invest up to:-

- (1) 80% of the Fund's net asset value into companies in the Southeast Asian region; or
- (2) 80% of the Fund's net asset value into companies in the Greater China region.

For the avoidance of doubt, the Managers may invest all of the Fund's assets into equities.

7.2 Product Suitability

The Fund is suitable for investors who:

- seek to achieve medium to long-term capital appreciation;
- seek to gain exposure to a portfolio comprising equities of corporations listed on any Recognised Stock Exchange in any part of the world and which carry on significant business in, or whose operations are in, or which derive substantial revenue from, or whose subsidiaries, related or associated corporations derive substantial revenue from, China, Hong Kong and Southeast Asian Countries which may be members of ASEAN; and
- are willing and able to accept that their principal will be at risk.

Investors should consult their financial advisers if in doubt as to whether investments into the Fund are suitable for them

7.3 Distribution Policy

In respect of each of the Classes, the Managers have the absolute discretion to determine whether any distributions should be made to Holders of Units in the relevant Class.

The Managers will decide whether a distribution is to be made based on various factors, including dividend and/or interest income and/or capital gains derived from the underlying investors of the Fund. If income and dividends generated from the underlying investments of the Fund are insufficient to fund a distribution for the Fund, the Managers may in their discretion, with the consent of the Trustee, determine that such distributions should be paid from the capital of the Fund. Holders may elect for all (but not part) of the distributions to be received for Units of the Fund to be automatically reinvested in the purchase for additional Units in the Fund.

Where distributions are paid out of capital of a Class, the net asset value of the relevant Class will be reduced and this will be reflected in the Realisation Price of the Units of that Class. Holders redeeming their Units may therefore receive an amount less than their initial investment. Such distributions may also result in reduced future returns to Holders.

Distributions, if any, after deduction of taxation will be remitted to the investors.

For the avoidance of doubt, there is no guarantee, assurance and/or certainty that the Managers' intention to make distributions as described above will be achieved.

7.4 Investment Restrictions

The Fund is subject to investment and borrowing restrictions in the Investment and Borrowing Guidelines as set out in Appendix 1 of the Code, which guidelines may be amended from time to time.

The Fund currently does not intend to carry out securities lending or repurchase transactions but may in the future do so, in accordance with the applicable provisions of the Code and the Deed.

8. FEES AND CHARGES

8.1 The fees and charges applicable to the Fund are set out in the tables below:

Fees and charges payable by you	
Initial Charge ⁷	<u>Class A Units (SGD), Class A Units (USD) and Class A Units (RMB)</u> Current: Up to 5.00%. Maximum: 5.00% <u>Class I Units (SGD), Class I Units (USD) and Class I Units (RMB)</u> Current: Up to 2.00%. Maximum: 5.00%
Realisation Charge	Current: Nil. Maximum: 5.00%
Conversion Fee	Nil.
Anti-Dilution Levy [^]	Up to 5% of the NAV of the relevant Class. To be charged at the discretion of the Managers in the event of large subscription / realisation requests.

Fees and Charges payable by the Fund	
Annual Management Fee	<u>Class A Units (SGD), Class A Units (USD) and Class A Units (RMB)</u> Current: 1.50%. Maximum: 1.50% <u>Class I Units (SGD), Class I Units (USD) and Class I Units (RMB)</u> Current: 0.75%. Maximum: 1.50%
Annual Trustee Fee and Annual Administration Fee	Current: 0.095% (subject always to a minimum fee of SGD3,334 per month). Maximum Annual Trustee Fee: 0.10%
Other Fees and Charges	Subject to agreement with the relevant parties, other fees and charges may each amount to or exceed 0.10% per annum, depending on the proportion that each fee or charge bears to the Fund's net asset value.

[^] The anti-dilution levy is a provision for market spreads (the difference between the prices at which assets are valued and/or bought or sold), transaction costs and other dealing costs relating to the acquisition or disposal of the investments constituting the Fund in the event of receipt for processing of large subscription or redemption requests (as determined at the discretion of the Managers), including subscriptions and/or redemptions which would be effected as a result of conversion or exchange requests, or

⁷ "Initial Sales Charge" means a charge upon the issue of Units of such amount as the Managers may from time to time determine generally or in relation to any specific transaction or class of transactions provided that such charge shall not exceed five per cent. of the gross investment sum. Such expression in the context of a given date shall refer to the charge or charges determined by the Managers pursuant to the Deed and applicable on that date.

in the event of market dislocations where the liquidity of the underlying investments of the Fund is substantially impaired.

The fees of the Investment Advisor are paid by the Managers out of their Management Fee and are not paid out of the assets of the Fund.

- 8.2** Investors should note that subscriptions for Units through any duly authorised agent or distributor appointed by the Managers may incur additional fees and charges. Investors are advised to check with the relevant authorised agent or distributor if such additional fees and charges are imposed by the authorised agent or distributor. The Managers may share their fees with any authorised agent or distributor appointed by the Managers.
- 8.3** As required by the Code (as may be amended from time to time), all marketing, promotional and advertising expenses in relation to the Fund will be borne by the Managers and not debited from the Fund.

9. RISKS

9.1 General risks of investing in collective investment schemes

- 9.1.1** You should consider and satisfy yourself as to the risks of investing in the Fund. Generally, some of the risk factors that should be considered by you are market risk, equity risk, interest rate risk, liquidity risk, credit/default risk, foreign exchange risk, country risk and derivatives risk.
- 9.1.2** You should be aware that the value of Units and the returns derived can fluctuate and can go down as well as up. There can be no assurance that the Fund will achieve its investment objective or that you will get back your original investment.
- 9.1.3** An investment in the Fund is meant to produce returns over the medium to long-term. You should not expect to obtain short-term gains from such investment.
- 9.1.4** You should obtain advice from qualified financial advisers pursuant to a separate engagement before investing or subscribing into the Fund. In the event that you choose not to obtain advice from qualified financial advisers, you should assess and consider whether the Fund is suitable for you.

9.2 Risks specific to the Fund

- 9.2.1 Market Risk:** Market risk is a risk that arises when the prices of investments in the marketplace are affected by circumstances such as political or economic events. These circumstances, which may be a local or global event can affect a local market where a Fund is invested in or global markets and subsequently, the value of the Fund's investments.
- 9.2.2 Equity Risk:** The Fund invests primarily in stocks and other equity securities, which are subject to market risks and are in general more volatile than investment grade fixed income securities. Units may therefore be subject to greater price volatility.
- 9.2.3 Interest Rate Risk:** The Fund is subject to interest rate risk. This risk refers to the effect of interest rate changes on the market value of a fixed income portfolio. In the event of rising interest rates, prices of debt instruments will generally decrease and vice versa. Debt instruments with longer maturities and lower coupon / profit rates are more sensitive to interest rate changes.

- 9.2.4 Liquidity Risk:** The extent of market liquidity would be dependent on the size of the market and therefore affect the Fund's ability to acquire or dispose of assets at the price and time desired. There may be state regulations governing the outward remittance by foreign investors of their share of net profits and dividends and repatriation of their investments in foreign currency.
- 9.2.5 Credit and Default Risk:** This refers to the creditworthiness of the issuers of debt instruments and its expected ability to make timely payment of interest and principal. Default happens when the issuers are not able to make timely payments of interest and principal. Debt instruments are subject to both actual and perceived measures of creditworthiness. The downgrading of a rated debt instrument or adverse publicity and investor perception could decrease the value and liquidity of the debt instrument, particularly in a thinly traded market. An economic recession may adversely affect an issuer's financial condition and the market value of debt instruments issued by such an entity. The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, or the issuer's inability to meet specific projected business forecasts. All this may impact the valuation of the Fund or result in the Fund experiencing losses.
- 9.2.6 Foreign Securities Risk:** The investments of the Fund may be affected by political instability as well as exchange controls, changes in taxation, foreign investment policies and other restrictions and controls which may be imposed by the relevant authorities in the other countries. Fluctuations in foreign exchange rates may have an impact on the outcome of the Fund and may affect the value of Units.
- 9.2.7 Foreign Exchange/Currency Risk:** This risk is associated with investments and Units that are quoted or denominated in a currency different from the base currency of the Fund or the relevant Class. When the Units held by the investor or a security held by the Fund is denominated in a currency which fluctuates unfavourably against the base currency of the Fund or the relevant Class, the investment in the Fund may face currency loss in addition to the capital gains/losses and the Units may be exposed to exchange rate movements against the base currency. This may lead to a lower net asset value. The Managers may employ active currency hedging techniques to manage the impact of exchange rate fluctuations in relation to the Fund, where permitted and applicable.
- 9.2.8 Emerging Markets Risks:** The Fund may be investing in emerging markets which may be subject to higher political risks, regulatory risks and liquidity risks than investments in developed markets. Due to many emerging markets undergoing rapid growth, there is less regulation and there may be less public information about companies listed on such markets as compared to other stock markets. The trading volume in emerging markets may be substantially less than in the world's leading stock markets and may have to be conducted at less favourable prices. Investments in emerging markets are also subject to repatriation risks. Many emerging markets have restricted foreign investment policies although liberalisation continues. Emerging markets may not have fully developed custodian and settlement services and therefore investments in such markets are subject to a greater degree of risk.
- 9.2.9 Counterparty Risk:** While the Managers will endeavour to take all reasonable steps to obtain the best possible result for each transaction entered into by the Fund, there may be circumstances requiring transactions to be executed through the use of a

sole broker or counterparty which may not be consistent with best execution standards.

9.2.10 Concentration Risk: Prospective investors should be aware that the Fund is exposed to concentration risk as the investments of the Fund may, subject to compliance with the diversification requirements and investment limits under the Code, potentially be made in a limited number of issuers and/or issuance and investors might be subject to significant losses or be otherwise adversely affected, in the event of default by any issuer. The value of the Units is hence particularly heavily dependent on the performance of these investments.

9.2.11 PRC Market Risk: Investing in the securities markets in the PRC is subject to the risks of investing in emerging markets generally and the risks specific to the PRC market. For many years, the central government of the PRC has adopted a planned economic system. Since 1978, the PRC government has implemented economic reform measures which emphasise decentralisation and the utilisation of market forces in the development of the PRC economy. Such reforms have resulted in significant economic growth and social progress.

Many of the PRC economic reforms are unprecedented or experimental and are subject to adjustment and modification, and such adjustment and modification may not always have a positive effect on investments in listed securities.

The national regulatory and legal framework for capital markets and joint stock companies in the PRC is still developing as compared to those of developed countries. PRC companies are required to follow PRC accounting standards and practice which, to a certain extent, follow international accounting standards. However, there may be significant differences between financial statements prepared by accountants following PRC accounting standards and practice and those prepared in accordance with international accounting standards.

9.2.12 Changes in Applicable Law and Regulation: Any changes in national policies and regulations may have an effect on the capital markets in which the Fund is investing. If this occurs there is a possibility that the price of the Fund's investments may be adversely affected.

9.2.13 Country Specific Risk: The Fund will be investing in foreign markets. The foreign investments portion of the Fund may be affected by risks specific to the country that the Fund invests in. Such risks include changes in the country's economic fundamentals, social and political stability, currency movements and foreign investments policies. These factors may have an impact on the prices of the securities that the Fund invests in and ultimately lower the net asset value of the Fund. Such risk can be diversified by investing in different countries.

9.2.14 Financial Derivative Instruments ("FDIs")

Use and risks associated with use of financial derivative instruments ("FDIs")

The Managers may use or invest in FDIs in respect of the Fund for the purposes of hedging existing positions and/or efficient portfolio management.

Types of FDIs

The Fund may engage in transactions in FDIs, such as options and futures transactions, warrants, swaps, forward contracts, credit derivatives, spot foreign

exchange, caps and floors, contracts for differences or other derivative transactions for hedging existing positions and efficient portfolio management.

Risks Associated with the use of FDIs

The risks associated with derivatives are very different from those incurred in other investments. When buying a share, for example, the maximum loss is the amount originally paid for it. Derivatives, on the other hand, exhibit many different risk profiles.

Some derivatives provide limited risk and unlimited upside potential. For example, on purchasing a call option, the risk is limited to the amount paid to hold the call option whereas the potential profit is unlimited. On the other hand, some derivatives may display risk characteristics pursuant to which the potential gain is limited, whereas losses are potentially unlimited. Furthermore, the Fund may use derivatives for hedging purposes or otherwise, for example, to reduce transaction costs, achieve greater liquidity, create effective exposure to international financial markets or a specific security, or increase speed and flexibility in making changes to the portfolio of the Fund. Although derivatives are often used to minimize risk, derivatives have their own kinds of additional risks, such as:

- (i) the use of derivatives for hedging purposes may not be effective;
- (ii) some derivatives may limit the Fund's potential for gain, as well as for loss;
- (iii) the cost of entering and maintaining derivative contracts may reduce the Fund's total return to investors;
- (iv) the price of a derivative may not accurately reflect the value of its underlying asset;
- (v) there is no guarantee that a market will exist when the Fund wants to buy or sell a derivative contract;
- (vi) exchanges may set daily trading limits on certain derivative contracts which could prevent the Fund from closing a contract; and
- (vii) volatility and counterparty risk.

Exposure to FDIs

The Managers will ensure that the global exposure of the Fund to FDIs or embedded FDIs will not at any time exceed 100% of its net asset value. The Managers will apply a commitment approach to determine the Fund's global exposure to FDIs by converting the positions in the FDIs into equivalent positions in the underlying assets of those FDIs and will calculate such exposure in accordance with the provisions of the Code.

Risk Management Process and Compliance Controls

The Managers will ensure that the risk management and compliance procedures adopted by it are adequate and will be implemented, and that it has the necessary expertise to manage the risks relating to the use of FDIs. The Managers may modify the risk management and compliance procedures as they deem fit and in the interests of the Fund, but subject always to the requirements under the Code.

Netting

The Fund may net its over-the-counter financial derivative positions with a counterparty through a bilateral contract for novation or other bilateral agreement with the counterparty, provided that such netting arrangements satisfy the relevant conditions described in the Code.

Where the Fund uses or invests in FDIs on commodities, the Managers will settle all such transactions in cash at all times.

9.2.15 Specific Risks Applicable to Investing via Stock Connect

Quota Limitations Risk: The Stock Connect is subject to quota limitations, further details of which are set out in the “Investment Objective and Strategy” section above. In particular, once the remaining balance of the relevant quota drops to zero or the daily quota is exceeded, buy orders will be rejected (although investors will be permitted to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the Fund’s ability to invest in China A Shares through the Stock Connect on a timely basis, and the Fund may not be able to effectively pursue its investment strategy.

Legal/Beneficial Ownership Risk: The SSE/SZSE securities (as the case may be) in respect of the Fund are held by the sub-custodian in accounts in the Hong Kong Central Clearing and Settlement System (“**CCASS**”) maintained by the Hong Kong Securities Clearing Company Limited (“**HKSCC**”) as central securities depository in Hong Kong. HKSCC in turn holds the SSE shares, as the nominee holder through an omnibus securities account in its name registered with ChinaClear. The precise nature and rights of the Fund as the beneficial owners of the SSE shares through HKSCC as nominee is not well defined under PRC law. There is lack of a clear definition of, and distinction between “legal ownership” and “beneficial ownership” under PRC law and there have been few cases involving a nominee account structure in the PRC courts. Under the rules of the Central Clearing and Settlement System operated by HKSCC for the clearing of securities listed or traded on SEHK, HKSCC as nominee holder shall have no obligation to take any legal action or court proceeding to enforce any rights on behalf of the investors in respect of the SSE Securities / SZSE Securities (as the case may be) in the mainland China or elsewhere.

Therefore, the exact nature and methods of enforcement of the rights and interests of the Fund under PRC law is uncertain. Because of this uncertainty, in the unlikely event that HKSCC becomes subject to winding up proceedings in Hong Kong, it is not clear if the SSE shares will be regarded as held for the beneficial ownership of the Fund or as part of the general assets of HKSCC available for general distribution to its creditors and the Fund may suffer difficulties or delays in enforcing their rights in China A Shares. Moreover, whether China courts will accept the legal action independently initiated by the overseas investor with the certification of holding in SSE Securities / SZSE Securities (as the case may be) issued by HKSCC has yet to be tested.

Clearing Settlement and Custody Risks: HKSCC and ChinaClear have established the clearing links and each has become a participant of the other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear

and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house. As the national central counterparty of the PRC's securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of ChinaClear defaulting on its obligations are considered to be remote.

In the remote event of a ChinaClear default, HKSCC's liabilities in SSE Shares under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. Although HKSCC should in good faith seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation, the Fund may suffer delay in the recovery process or may not fully recover its losses from ChinaClear.

The China A Shares traded through the Stock Connect are issued in scripless form, so investors, such as the Fund, will not hold any physical China A Shares. Hong Kong and overseas investors, such as the Fund, who have acquired SSE Securities / SZSE Securities (as the case may be) through Northbound trading should maintain the SSE Securities / SZSE Securities (as the case may be) with their brokers' or custodians' stock accounts with the Central Clearing and Settlement System operated by HKSCC for the clearing securities listed or traded on SEHK.

Suspension Risk: Each of the SEHK and SSE/SZSE (as the case may be) reserve the right to suspend trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension is effected, the Fund's ability to access the PRC market could be adversely affected.

Differences in Trading Day: The Stock Connect only operates on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the PRC market but the Fund cannot carry out any China A Shares trading via the Stock Connect. The Fund may be subject to a risk of price fluctuations in China A Shares during the time when the Stock Connect is not trading as a result.

Restrictions on Selling Imposed by Front-end Monitoring: PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise the SSE/SZSE (as the case may be) will reject the sell order concerned. SEHK will carry out pre-trade checking on China A Share sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling. If the Fund intends to sell certain China A Shares it holds, it must transfer those China A Shares to the respective accounts of its broker(s) before the market opens on the day of selling ("**trading day**"). If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, the Fund may not be able to dispose of its holdings of China A Shares in a timely manner.

Operational Risk: The Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are

permitted to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house. The securities regimes and legal systems of the two markets differ significantly and market participants may need to address issues arising from the differences on an on-going basis.

Further, the “connectivity” in the Stock Connect program requires routing of orders across the border. This requires the development of new information technology systems on the part of the SEHK and exchange participants (i.e. a new order routing system to be set up by SEHK to which exchange participants need to connect). There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems fail to function properly, trading in both markets through the program could be disrupted. The Fund’s ability to access the China A Share market (and hence to pursue its investment strategy) may be adversely affected.

Regulatory Risk: The Stock Connect is a novel concept. The current regulations are untested and there is no certainty as to how they will be applied. In addition, the current regulations are subject to change and there can be no assurance that the Stock Connect will not be abolished. New regulations may be issued from time to time by the regulators/stock exchanges in the PRC and Hong Kong in connection with operations, legal enforcement and cross-border trades under the Fund may be adversely affected as a result of such changes.

Recalling of Eligible Stocks: When a stock is recalled from the scope of eligible stocks for trading via the Stock Connect, the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the Fund, for example, if the Managers wish to purchase a stock which is recalled from the scope of eligible stocks.

No Protection by Investor Compensation Fund: Investment in SSE Shares via the Stock Connect is conducted through brokers, and is subject to the risks of default by such brokers’ in their obligations. Investments of the Fund through Northbound trading under the Stock Connect is not covered by the Hong Kong’s Investor Compensation Fund, which has been established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of a default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong.

Since default matters in Northbound trading via the Stock Connect do not involve products listed or traded in SEHK or Hong Kong Futures Exchange Limited, they will not be covered by the Investor Compensation Fund. Therefore since the Fund is carrying out Northbound trading through brokers in Hong Kong and not mainland China, the Fund is exposed to the risks of default of the broker(s).

Trading costs: In addition to paying trading fees and stamp duties in connection with China A-share trading, the Fund may be subject to new portfolio fees, dividend tax and tax concerned with income arising from stock transfers which are yet to be determined by the relevant authorities.

Stamp duty under the mainland China laws generally applies to the execution and receipt of all taxable documents listed in the mainland China Provisional Rules on

Stamp Duty. Stamp duty is levied on the execution or receipt in mainland China of certain taxable documents, including contracts for the sale of A-Shares and B-Shares traded on the mainland China stock exchanges. Stamp duty is generally imposed on the sale of the mainland China-listed shares of the mainland China companies at a rate of 0.1% of the sales consideration. The Fund will be subject to this tax on each disposal of the mainland China listed shares.

Mainland China tax consideration: The Managers reserve the right to provide for tax on gains of the Fund that invest in mainland China securities thus impacting the valuation of the Fund. With the uncertainty of whether and how certain gains on mainland China securities are to be taxed, the possibility of the laws, regulations and practice in the mainland China changing, and the possibility of taxes being applied retrospectively, any provision for taxation made by the Managers may be excessive or inadequate to meet final mainland China tax liabilities on gains derived from the disposal of mainland China securities. Consequently, investors may be advantaged or disadvantaged depending upon the final outcome of how such gains will be taxed, the level of provision and when they purchased and/or sold their shares in/from the Fund.

On 14 November 2014, the Ministry of Finance, the State of Administration of Taxation and CSRC jointly issued a notice in relation to the taxation rule on the Shanghai-Hong Kong Stock Connect under Caishui [2014] No.81 (“Notice No.81”). Under Notice No.81, corporate income tax, individual income tax and business tax will be temporarily exempted on gains derived by Hong Kong and overseas investors (such as the Fund) on the trading of China A Shares through the Shanghai-Hong Kong Stock Connect with effect from 17 November 2014. However, Hong Kong and overseas investors of Shanghai-Hong Kong Stock Connect (such as the Fund) are required to pay tax on dividends and/or bonus shares at the rate of 10% which will be withheld and paid to the relevant in-charge mainland China tax authorities by the listed companies.

On 24 March 2016, the Ministry of Finance and the State of Administration of Taxation jointly released Caishui [2016] No. 36, which provided that capital gain realised by Hong Kong market investors (such as the Fund) from the trading of China A Shares through the Shanghai-Hong Kong Stock Connect are exempted from value-added Tax after the business tax to value-added tax reform with effect from 1 May 2016.

On 1 December 2016, the Ministry of Finance, the State of Administration of Taxation and the CSRC also jointly issued a circular in relation to the taxation rule on the Shenzhen-Hong Kong Stock Connect under Caishui [2016] No.127 (“Notice No. 127”). Under Notice No. 127, corporate income tax, individual income tax and value-added tax will be temporarily exempted on gains derived by Hong Kong market investors (such as the Fund) on the trading of China A Shares through the Shenzhen-Hong Kong Stock Connect with effect from 1 December 2016. Similar to Shanghai-Hong Stock Connect, the Hong Kong market investors of Shenzhen-Hong Kong Stock Connect are also required to pay tax on dividends and/or bonus shares at the rate of 10% which will be withheld and paid to the relevant in-charge mainland China tax authorities by the listed companies.

The above should not be considered to be an exhaustive list of the risks which you should consider before investing in the Fund. You should be aware that an investment in the Fund may be exposed to other risks of an exceptional nature from time to time.

10. SUBSCRIPTION OF UNITS

10.1 How to purchase Units

10.1.1 Cash Subscriptions

To subscribe for Units, a duly completed and executed application form (as prescribed by the Managers) must be sent to the Managers' authorised agent or distributor and application monies must be received by the Managers' authorised agent or distributor before 3 p.m. Singapore time on a Dealing Day (the "**Dealing Deadline**"). If the relevant application form and/or application monies is/are not received by the Dealing Deadline, the application will, subject to the discretion of the Managers, be held over to the following Dealing Day without interest and Units will then be issued at the relevant Issue Price on that Dealing Day. The Managers may, in their discretion, change the deadline for receipt of any application form or subsequent application form (as the case may be) as well as application monies whether generally or in any particular case.

All necessary supporting documents evidencing the right and power to subscribe for Units of the Fund, including without limitation, proof of identity, certificates of formation or incorporation and appropriate resolutions must be handed to the Managers' authorised agent or distributor.

Applicants may make payment for Units by telegraphic transfer and they should contact the Managers' authorised agent or distributor for details regarding such form of payment. No Units will be issued unless and until the relevant application monies, net of fiscal and bank charges, have been received by or on behalf of the Fund.

Application monies must be paid in the currency of the relevant Class. The Issue Price for such Units will be calculated in the relevant Class currency.

Application should be accompanied by such documents as may be required, failing which the Managers reserve the right to reject the relevant application. The Managers have the discretion to reject, in whole or in part, any subscription for Units. No interest is payable by the Managers on application monies that are returned to applicants.

10.1.2 Subscriptions through the use of Supplementary Retirement Scheme ("SRS") monies

Currently, only Class A Units SGD may be subscribed for using SRS monies.

Subject to the applicable terms and conditions imposed by the Inland Revenue Authority of Singapore, the relevant SRS operator and any other relevant competent authority, if you wish to subscribe for Class A Units SGD with your SRS monies, you will have to give a written authorisation to the relevant SRS operator for monies to be withdrawn from your SRS account to pay for the subscription of Class A Units SGD.

10.2 Minimum Initial Investment, Minimum Subsequent Investment and monthly investment under the Regular Savings Plan

The minimum initial investment, the minimum subsequent investment and the monthly investment (under the Regular Savings Plan) of the Fund are as follows:

	Minimum Initial Investment*	Minimum Subsequent Investment*	Regular Savings Plan (monthly investment)*
Class A Units (SGD)	SGD 1,000	SGD 1,000	SGD 1,000
Class A Units (USD)	USD 1,000	USD 1,000	USD 1,000
Class A Units (RMB)	RMB 5,000	RMB 5,000	RMB 5,000
Class I Units (SGD)	SGD 200,000	SGD 200,000	SGD 200,000
Class I Units (USD)	USD 200,000	USD 200,000	USD 200,000
Class I Units (RMB)	RMB 1,000,000	RMB 1,000,000	RMB 1,000,000

* or such other amounts as the Managers may determine from time to time upon giving prior written notice to the Trustee.

10.3 Pricing and Dealing Deadline

Units are issued on a forward pricing basis. Therefore, the Issue Price of such Units will not be ascertainable at the time an application is made.

If an application is received before the Dealing Deadline (i.e. 3 p.m. Singapore time on a Dealing Day), Units will be issued at the Issue Price for that Dealing Day. If an application is received after the Dealing Deadline or at any time on a day which is not a Dealing Day, Units will be issued at the Issue Price for the next Dealing Day.

The Issue Price per Unit of any Class on any Dealing Day shall be ascertained by the Managers by determining the Value⁸ as at the Valuation Point⁹ in relation to the relevant Dealing Day of the proportion of the Deposited Property (or where relevant, the part of the Deposited Property attributable to a Class) represented by 1 Unit (taking into account any applicable Duties and Charges) and rounding such amount to the nearest 4 decimal places (or such other number of decimal places or such other method of rounding as the Managers may from time to time determine with the approval of the Trustee). Any amounts arising from such adjustment as aforesaid shall be retained by the Fund. No change to the method of determining the Issue Price shall be made without the approval of the Trustee, who shall determine whether Holders should be informed of the change.

The Managers are entitled to impose an Initial Sales Charge which is deducted from the total amount paid by you for the subscription of Units (the “**Gross Investment Amount**”), and the resultant amount (the “**Net Investment Amount**”) will be applied towards the subscription of Units. The Initial Sales Charge will be retained by the Managers and/or their duly authorised agent or distributor for their own benefit. The Managers’ policy in relation to the valuation of the Deposited Property of the Fund is set out in paragraph 20.3 below.

⁸ “**Value**” means with reference to any Deposited Property or any part thereof, or with reference to any investment comprised or to be comprised in any Deposited Property, its net asset value or its value respectively as determined in accordance with paragraph 20.3.

⁹ “**Valuation Point**” means the close of business of the last market on a Dealing Day or such other time as the Managers with the prior approval of the Trustee may from time to time determine, and the Trustee shall determine if the Holders should be informed of such change and the Managers shall notify the Holders of such change if required by the Trustee.

Units will be issued on each Dealing Day on a cleared fund basis and no Units may be issued or agreed to be issued during any period when the issue of Units is suspended. The Deed sets out the circumstances in which the issue of Units may be suspended. The relevant provisions are summarised in paragraph 14 below.

10.4 How the number of Units is allotted

The number of Units to be issued in respect of any investment sum paid by an applicant shall be the number of Units (including fractions) determined by dividing the Gross Investment Sum (less the Initial Sales Charge) by the Issue Price per Unit, and then rounding the number of Units to the nearest 2 decimal places (or such other number of decimal places or such other method of rounding as the Managers may from time to time determine with the approval of the Trustee).

The following is an illustration of the number of Class A Units (SGD) that you will receive based on a hypothetical investment amount of SGD 1,000* and a notional Issue Price of SGD 1.0000**:

SGD 1,000*	-	SGD 50.00	=	SGD 950.00	÷	SGD 1.0000***	=	950.00
Gross Investment Sum		Initial Sales Charge (5.00%)**		Net Investment Sum		Issue Price (i.e. net asset value per Unit)		Number of Units

* This sum is used for the purposes of illustration only, and the actual investment sum may be of a different amount.

** The Initial Sales Charge currently payable is up to 5.00%.

*** The actual Issue Price will fluctuate according to the net asset value of the Deposited Property of the relevant Class of the Fund.

The above example is for illustration purposes only and is not an indication of the future or likely performance of the Fund. The value of Units may go down as well as up. Investors should read this Prospectus carefully and consult their professional advisers if necessary before investing.

In the case where a Unit is to be issued to an applicant resident outside Singapore and additional expenses are incurred, which would not have been incurred if such applicant had been resident in Singapore (the “**overseas expense**”), the overseas expense may be deducted out of the investment sum in addition to the Initial Sales Charge.

10.5 Confirmation of purchase

A confirmation note detailing your investment amount and the number of Units in the Fund allocated to you will be sent to you within 14 Business Days from the date of issue of Units.

10.6 Issue of Units

The Managers have the exclusive right to effect the creation and issue of Units and the acceptance or non-acceptance of applications for purchase of Units are at the absolute discretion of the Managers and in the best interest of the Fund. If any application is rejected by the Managers, the subscription monies will be refunded (without interest) to the applicant or (where applicable) the relevant SRS operator within a reasonable period of time in such manner as the Managers may determine.

No certificates will be issued by the Managers in respect of Units issued.

10.7 Cancellation of Units

Subject to the provisions of the Deed and to the terms and conditions for cancellation of Units in the application form for Units, you have the right to cancel your subscription for Units within 7 calendar days from the date of subscription or purchase of Units (or such longer period as may be agreed between the Managers and the Trustee or such other period as may be prescribed by the Authority) by providing notice in writing to the Managers through their duly authorised agent or distributor from whom you purchased your Units. Any Initial Sales Charge paid by you will be refunded to you. However, you will have to take the risk of any price changes in the net asset value of the Fund since you purchased the Units. The cancellation proceeds will be paid within 6 Business Days of receipt of the cancellation request or within such other time as may be permitted by the Authority unless cancellation of Units has been suspended in accordance with the Deed.

10.8 Regular Savings Plan

For investors who wish to participate in the regular savings plan (“**RSP**”), the minimum initial investment and the monthly investment for the Classes is set out under paragraph 10.2 above. The Managers may, at their discretion, waive or vary the minimum initial investment and the minimum monthly investment amounts.

Payment for the RSP will be debited from the investors' bank account or SRS Account (as the case may be) on the 14th calendar day (or next Business Day if that day is not a Business Day) of each month. For RSP using cash, Units will be allotted within 2 Business Days after payment has been debited. For RSP using SRS monies, Units will be allotted on the 14th calendar day (or next Business Day if that day is not a Business Day) of each month and will be cancelled and deemed void in the event of an unsuccessful debit from the SRS Account.

If the deduction of these contributions is unsuccessful, no investment will be made for that month. No notification relating to the unsuccessful deduction will be sent to Holders. After 2 consecutive unsuccessful deductions, the RSP will be terminated and no notification of such termination will be sent to the affected Holders.

The Managers shall be entitled at their sole discretion to impose on participants who fail to adhere to the terms of the RSP a fee of S\$50 (or its equivalent amount in any applicable currency) which the Managers may retain for their own benefit. A Holder may cease his participation in the RSP by giving at least 30 days' prior written notice to the relevant approved distributor of the Managers without suffering any penalty.

The Managers shall be entitled to compulsorily realise a Holder's Units if his holdings are below the Minimum Holding. The Managers also reserve the right to terminate the RSP at any time at their absolute discretion by giving at least one month's notice to the affected Holders.

The Managers shall not assume any liability for any losses arising from the Holders' payment for the RSP via direct debit transactions.

You should contact the approved distributors of the Managers for further details of how to participate in a RSP.

11. REALISATION OF UNITS

11.1 How to sell Units

You may realise your Units by submitting a duly completed and executed realisation form prescribed by the Managers to request for realisation of Units to the Managers' authorised agent or distributor specifying the number of Units to be realised, duly signed by you and accompanied by such further information or documents as may reasonably be required by the Managers' authorised agent or distributor (the "**Realisation Request**").

11.2 Minimum Holding and Minimum Realisation

You shall not be entitled to realise only part of your holding of Units without the approval of the Managers and the Trustee if such realisation is less than the Minimum Realisation as set out in the table below or if due to such realisation, your holding would be reduced to less than the Minimum Holding as set out in the table below:

	Minimum Holding* (Units)	Minimum Realisation* (Units)
Class A Units (SGD)	500	500
Class A Units (USD)	500	500
Class A Units (RMB)	500	500
Class I Units (SGD)	1,000	500
Class I Units (USD)	1,000	500
Class I Units (RMB)	1,000	500

* or such other amounts as the Managers may determine from time to time with prior written notice to the Trustee.

11.3 Pricing and Dealing Deadline

Units are realised on a forward pricing basis. Therefore, the Realisation Price cannot be ascertained at the time of request.

A Realisation Request that is received by the Managers' authorised agent or distributor and accepted by the Managers by the Dealing Deadline (i.e. 3 p.m. Singapore time on a Dealing Day) in respect of a Dealing Day is treated as received on that Dealing Day and Units will be realised at that Dealing Day's realisation price (the "**Realisation Price**"). A Realisation Request received and accepted after the Dealing Deadline in respect of a Dealing Day or at any time on a day which is not a Dealing Day will be treated as received and accepted on the next Dealing Day.

The Realisation Price per Unit of any Class on any Dealing Day shall be the price per Unit ascertained by the Managers by determining the Value as at the Valuation Point in relation to the relevant Dealing Day, and by dividing such Value of the Deposited Property or the proportion of the Deposited Property attributable to that Class, by the number of Units of that Class in issue or deemed to be in issue as of that Valuation Point and rounding such amount to the nearest 4 decimal places (or such other number of decimal places or such other method of rounding as the Managers may from time to time determine with the approval of the Trustee). Any amounts arising from such adjustment as aforesaid shall be retained by the Fund. No change to the method of determining the Realisation Price shall be made without the approval of the Trustee, who shall determine whether Holders should be informed of the change.

The Managers may, if applicable, charge a Realisation Charge which is deducted from the total amount payable to the Holder in respect of the realisation of Units (the “**Gross Realisation Proceeds**”), and the resultant amount (the “**Net Realisation Proceeds**”) will be paid to the Holder. The Realisation Charge will be retained by the Managers and/or their duly authorised agent or distributor for their own benefit.

The Realisation Price on any Dealing Day shall be quoted in the base currency of the Fund or Class, as the case may be, or in such other currency as the Managers may determine based on the exchange rate (whether official or otherwise) which the Managers, after consultation with the Trustee, deems appropriate in all the circumstances. Notwithstanding the foregoing, the Realisation Price for Class A Units (SGD) and Class I Units (SGD) will be quoted in SGD, for Class A Units (USD) and Class I Units (USD) will be quoted in USD and for Class A Units (RMB) and Class I Units (RMB) will be quoted in RMB.

No Units shall be realised during any period during which the right of Holders to require the realisation of Units is suspended. The Deed sets out the circumstances in which the realisation of Units may be suspended. The relevant provisions are summarised in paragraph 14 below.

For the avoidance of doubt, should a Realisation Request for Units be received and accepted by the Managers prior to the receipt of the subscription monies in respect of such Units, the Managers may refuse to realise such Units until the Dealing Day following that upon which the subscription monies in respect of such Units have been received by the Trustee.

11.4 How realisation proceeds are calculated

The following is an illustration of the realisation proceeds that you will receive based on a realisation of 1,000 Units and a notional Realisation Price of SGD 1.2000* and assuming no realisation charge:-

1,000	x	SGD 1.2000	=	SGD 1,200.00	-	SGD 0.00	=	SGD 1,200.00
Units to be realised		Realisation Price*		Gross Realisation Proceeds		Realisation Charge (Nil)		Net Realisation Proceeds payable

* The actual Realisation Price will fluctuate according to the net asset value of the Deposited Property of the relevant Class.

The above example is for illustration purposes only and is not an indication of the future or likely performance of the Fund. The actual Realisation Price will fluctuate according to the net asset value of the Deposited Property of the relevant Class of the Fund.

If you are resident outside Singapore, the Managers shall be entitled to deduct from the realisation proceeds, an amount equal to the excess of the expenses actually incurred over the amount of expenses which would have been incurred if you had been resident in Singapore.

11.5 Payment of realisation proceeds

11.5.1 The realisation proceeds will be paid to you within 7 Business Days after the relevant Dealing Day on which the Realisation Request is received or within such other time as may be permitted by the Authority unless realisation of Units has been suspended in accordance with the Deed.

11.5.2 In the case of a Holder who has purchased Units with cash, any monies payable to a Holder under the provisions of the Deed in respect of his Units will be paid by cheque sent through the post to his address appearing on the Register or by telegraphic transfer to a nominated bank account. The redemption proceeds will be paid in the currency of the Class being redeemed.

11.5.3 In the case of a Holder who has purchased Units with SRS monies, any monies payable to him under the provisions of the Deed in respect of his Units will be paid by transferring the monies to the relevant bank for credit of the Holder's SRS account or otherwise in accordance with the provisions of any applicable laws, regulations or guidelines. Where his SRS account has been closed, the monies will be paid to the Holder in accordance with paragraph 11.5.2 or otherwise in accordance with any applicable laws, regulations or guidelines.

11.5.4 Payment of realisation proceeds made in accordance with the provisions of this paragraph 11.5 will be a satisfaction of the monies payable and shall be a good discharge to the Managers or the Trustee (as the case may be).

11.6 Limits on Realisations

The Managers may, with the approval of the Trustee, limit the total number of Units of the Fund or any Class which Holders may realise and which the Managers are entitled to have cancelled pursuant to the Deed (as the case may be) on any Dealing Day to 10% of the total number of Units of the Fund or Class then in issue (disregarding any Units of the Fund or Class which have been agreed to be issued), such limitation to be applied pro rata to all Holders of the Fund or Class who have validly requested realisations in relation to their Units of the Fund or Class on such Dealing Day so that the proportion realised of each holding of the Fund or Class so requested to be realised or cancelled pursuant to the Deed is the same for all Holders of the Fund or Class. Any Units of the Fund or Class which, by virtue of the powers conferred on the Managers by this paragraph, are not realised or cancelled (as the case may be) shall be realised or cancelled (subject to any further application of the provisions of this sub-paragraph) on the next succeeding Dealing Day provided that if on such next succeeding Dealing Day, the total number of Units of the Fund or Class to be cancelled or realised (as the case may be), including those carried forward from any earlier Dealing Day, exceeds such limit, the Managers may further carry forward the requests for realisation or cancellation (as the case may be) in relation to the Fund or Class until such time as the total number of Units of the Fund or Class to be realised or cancelled (as the case may be) on a Dealing Day falls within such limit. If realisation requests in relation to the Fund or Class are carried forward as aforesaid, the Managers shall give notice to the Holders of the Fund or Class affected thereby within 7 days that such Units have not been realised or cancelled and that (subject as aforesaid) they shall be realised or cancelled on the next succeeding Dealing Day. Requests for realisations which have been carried forward from an earlier Dealing Day shall be dealt with in priority to later requests.

12. SWITCHING/CONVERSION OF UNITS

12.1.1 You may switch Units with units of any other collective investment scheme managed by the Managers (the "**new Fund**") in accordance with the provisions of the Deed and the constitutive documents of the new Fund. Application for switching of Units may be made by submitting to the Managers (through the approved distributors) a notice ("**Exchange Notice**") in such form as the Managers may from time to time

require and accompanied by a duly completed and executed application for the subscription of units in the new Fund. A Holder is not entitled, without the consent of the Managers, to withdraw an Exchange Notice.

- 12.1.2** Subject as hereinafter provided, the switching of Units shall be made on the day which is both a Dealing Day in relation to Units of the Fund and a dealing day in relation to units of the new Fund ("**Common Exchange Dealing Day**") on which the Exchange Notice is received by the Managers by the Dealing Deadline on such Common Exchange Dealing Day. If an Exchange Notice is received by the Managers on a day which is not a Common Exchange Dealing Day or is received after the Dealing Deadline on a Common Exchange Dealing Day, such Exchange Notice shall be treated as having been received before the Dealing Deadline on the next Common Exchange Dealing Day.
- 12.1.3** No Units shall be switched during any period when the right of Holders to require the realisation of Units is suspended according to paragraph 14 of this Prospectus or when the issue of units in the new Fund is suspended pursuant to the suspension provisions set out in the trust deed of the new Fund or on any Common Exchange Dealing Day on which the number of Units of the Fund that can be realised is limited according to paragraph 11.6 of this Prospectus.
- 12.1.4** Switching of Units shall be at the prevailing Realisation Price. Any switching shall be subject to the requirements or restrictions applicable to the realisation of Units and the issue of units in the new Fund, including without limitation, any minimum holding requirement, any minimum initial investment sum or minimum subsequent investment sum requirement.
- 12.1.5** Switching of Units shall be effected by the realisation of such Units and by the issue of units of the new Fund, such realisation and issue taking place on the relevant Common Dealing Day, and the number of units of the new Fund to be issued on switching shall be determined by the Managers in accordance with the provisions of the trust deed of the new Fund.
- 12.1.6** Where the Initial Sales Charge paid for the Units being switched (the "**First Initial Sales Charge**") is less than the initial sales charge payable for units in the new Fund (the "**Second Initial Sales Charge**"), the Managers shall be entitled to charge for the difference, but where the Second Initial Sales Charge is less than the First Initial Sales Charge, the Managers shall be entitled to retain the difference.
- 12.1.7** The Managers may at their discretion reject any application by Holders to switch their Units for units of a new Fund.
- 12.1.8** Switching between Classes within the Fund

If and for so long as the Units of more than one Class are in issue, the Managers may, at its discretion and on such terms as the Managers may determine from time to time, permit a Holder of Units in a Class (in this sub-clause called the "**original Class**") to convert all or any of the Units in the original Class held by him, to Units in another Class within the Fund (in this sub-paragraph called the "**new Class**"), in accordance with the provisions in the Deed, provided that no conversion of Units may be made which would result in the relevant Holder (i) holding fewer Units of the original Class than the Minimum Holding in relation to the original Class, or (ii) acquiring fewer Units in the new Class than the Minimum Initial Investment in

relation to the new Class (except in the case of conversion of Units effected pursuant to Clause 44 of the Deed).

- 12.1.9** Units purchased with cash or SRS monies may only be switched to units of the New Fund or new Class purchased with cash or SRS monies as the case may be.

13. OBTAINING PRICES OF UNITS

The indicative net asset value of Units of each Class of the Fund will generally be available 2 Business Days after the Valuation Day and may be obtained by contacting the Managers at (65) 6323 2508 or on Bloomberg.

Investors should note that, other than in respect of the publications of the Managers, the Managers do not accept any responsibility for any errors on the part of the relevant publisher in the prices published in any newspapers and wire services or for any non-publication of prices by such publisher and shall incur no liability in respect of any action taken or loss suffered by investors in reliance upon such publications.

14. SUSPENSION OF DEALINGS

- 14.1** Subject to the provisions of the Code, the Managers may at any time, after giving notice to the Trustee, suspend the issue of Units, the right of Holders to require the realisation of Units and/or the valuation of Units and/or the Deposited Property of the Fund or any Class in the following circumstances:

- 14.1.1** during any period when the Recognised Stock Exchange on which any Authorised Investments forming part of the Deposited Property for the time being are listed or dealt in is closed (otherwise than for ordinary holidays) or during which dealings are restricted or suspended;
- 14.1.2** during any period when there exists any state of affairs which, in the opinion of the Managers or the Trustee, as the case may be, might seriously prejudice the interest of the Holders of the Fund or the relevant Class as a whole or of the Deposited Property;
- 14.1.3** any breakdown in the means of communication normally employed in determining the price of any of such Authorised Investments or the current price on any Recognised Stock Exchange or when for any reason the prices of any of such Authorised Investments cannot be promptly and accurately ascertained;
- 14.1.4** any period when remittance of money which will or may be involved in the realisation of such Authorised Investments or in the payment for such Authorised Investments cannot, in the opinion of the Managers or the Trustee, as the case may be, be carried out at normal rates of exchange;
- 14.1.5** any period when the fair value of a material portion of the assets of the Fund cannot be determined and for the purposes of this paragraph, "fair value" of an asset of the Fund is the price that the Fund would reasonably expect to receive upon the sale of the asset;

- 14.1.6** if applicable, during any period when dealings in the units or shares of any Underlying Entity¹⁰ are restricted or suspended;
- 14.1.7** the period of 48 hours (or any longer period that the Managers and the Trustee agree) prior to the date of any meeting (or adjourned meeting) of Holders of the Fund or the relevant Class convened in accordance with the provisions of the Deed;
- 14.1.8** any period pursuant to an order or direction by the Authority;
- 14.1.9** during any period when the Managers or the Trustee is unable to conduct their/its business activities or their/its ability to conduct their/its business activities is substantially impaired, as a direct or indirect result of local or foreign government restrictions, the imposition of emergency procedures, civil disorder, acts or threatened acts of terrorism, war, strikes, pestilence, natural disaster or other acts of God; or
- 14.1.10** during such circumstances as may be required under the provisions of the Code, and payment for any Units of the Fund or the relevant Class realised before the commencement of any such suspension but for which payment has not been made before the commencement thereof may, if the Managers and the Trustee so agree, be deferred until immediately after the end of such suspension. Such suspension shall take effect forthwith upon the declaration in writing thereof to the Trustee, the Holders and the Authority by the Managers and subject to the provisions of the Code, shall terminate as soon as practicable when the condition giving rise to the suspension shall have ceased to exist and no other conditions under which suspension is authorised under this paragraph 14.1 shall exist upon the declaration in writing thereof by the Managers, and in any event, within 21 days of the commencement of the suspension. The period of suspension may be extended if the Managers satisfy the Trustee that it is in the best interest of the Holders for the dealing in Units to remain suspended. Such extension is subject to weekly review by the Trustee. Upon resumption of dealing in Units, the Managers should notify Holders and the Trustee should notify the Authority of such resumption.

15. PERFORMANCE OF THE FUND

15.1 Past performance

As the Classes of the Fund were incepted on 18 September 2018, a track record of at least one (1) year is not available for any of the Classes as at the date of registration of this Prospectus.

Benchmark

Prior to 26 March 2018, the benchmark for which performance of the Fund was measured against was the composite index comprising of 50% MSCI South East Asia Index and 50% Chinese Securities Index 800. With effect from 26 March 2018, the benchmark for which the performance of the Fund should be measured against is the composite index comprising of 50% MSCI South East Asia Index and 50% Chinese Securities Index 100. The reason for the change is to better reflect the investment focus and approach of the Fund.

¹⁰ "Underlying Entity" means a mutual fund company or a sub-fund of a mutual fund company or a unit trust or a sub-fund of a unit trust or any other collective investment scheme from time to time determined by the Managers to be invested into by the Fund and "Underlying Entities" shall be construed accordingly.

For the avoidance of doubt, the investment strategy is benchmark agnostic and shall not be constrained to the constituents of the stated indices to achieve its investment objective. The benchmark is used to measure relative performance over time but is not used as a starting point to construct the Fund's portfolio.

15.2 Expense ratio

As the Fund was incepted on 18 September 2018, the expense ratio is not available as at the date of registration of this Prospectus.

15.3 Turnover ratio

As the Fund was incepted on 18 September 2018, the turnover ratio is not available as at the date of registration of this Prospectus.

16. SOFT DOLLAR COMMISSIONS/ ARRANGEMENTS

16.1 The Managers are entitled to and may receive or enter into soft dollar commissions or arrangements in respect of the Fund. The Managers will comply with applicable regulations and industry standards on soft dollars. The soft dollar commissions which the Managers may receive include specific advice as to the advisability of dealing in, or the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis, and custodial service in relation to the investments managed for clients.

16.2 Soft dollar commissions or arrangements received will not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payment.

16.3 The Managers may not accept or enter into soft dollar commissions or arrangements unless (a) such soft dollar commissions or arrangements can reasonably be expected to assist the Managers in their management of the Fund (b) the Managers will ensure at all times that best execution is carried out for the transactions, and (c) no unnecessary trades are entered into in order to qualify for such soft dollar commissions or arrangements.

16.4 The Managers shall not retain for their own account, cash or commission rebates arising out of transactions for the Fund executed in or outside Singapore.

17. CONFLICTS OF INTEREST

17.1 The Managers are of the view that there is no conflict of interest in managing their other funds and the Fund because of the following structures in place:

- (a) Investment decisions for each fund are made impartially. There are no preferred customers or funds and all accounts are treated equally.
- (b) All investment ideas are shared equally among fund managers.
- (c) In addition, despite the possible overlap in the scope of investments, investment

decisions are made according to the individual risk-return characteristic of the relevant fund.

- (d) Most importantly, the Managers' usual fair and unbiased practice is to allocate investment between various funds which place the same orders simultaneously on a *pro rata* basis. However, should any potential conflicts of interest arise from a situation of competing orders for the same securities, the Managers will adopt an average pricing policy whereby orders that are partially fulfilled on a particular day will be allotted proportionately among the funds based on their respective initial order size and such quantity allotted will be at the average price of such investments on that particular day.

17.2 The Managers and the Trustee shall conduct all transactions with or for the Fund on an arm's length basis.

17.3 The Trustee is presently also offering registrar services to the Fund while the Custodian (which is a party related to the Trustee) is presently also providing fund administration and valuation services to the Fund. These services are provided on an arm's length basis and the fees for these services are permitted to be paid out of the assets of the Fund under the provisions of the Deed.

Associates of the Trustee and the Managers (collectively, the "**Associates**") may also be engaged to provide banking, brokerage or financial services to the Fund or buy, hold and deal in any investments, enter into contracts or other arrangements with the Trustee and make profits from those activities. Such services to the Fund, where provided, and such activities with the Trustee, where entered into, will be on an arm's length basis and their Associates shall not be liable to account to any person for any profits or benefits made or derived by them in connection with any such services.

The Trustee and the Managers will ensure that the performance of their respective duties will not be impaired by any such involvement. In the event a conflict of interest does arise, the Trustee and the Managers will endeavour to ensure that it is resolved fairly and in the interest of the Holders.

17.4 The Trustee or the Managers may become the owner of Units and hold, dispose or otherwise deal with the same rights which they would have had if neither the Trustee nor the Managers were a party to the Deed and the Trustee and the Managers may (whether as principal or for the account of another trust, fund or client) buy, hold, sell and deal in any Investments with the Trustee in its capacity as trustee of the Fund, and may buy, hold, sell and deal with any investments upon their respective individual accounts or upon the account of another trust, fund or client notwithstanding that similar investments may be held under the Deed as part of the Deposited Property of the Fund. In the event of any conflict arising as a result of such dealing, the Managers and the Trustee, in consultation with the other, will resolve such conflict in a just and equitable manner as they deem fit.

17.5 Subject to the provisions of the Code, the Managers may from time to time invest monies of the Fund in the securities of any of their related corporations (as defined in Section 6 of the Companies Act, Chapter 50 of Singapore) (for the purposes of this paragraph 17, if more than 1, "**Related Corporations**" and each, a "**Related Corporation**"). The Managers may also invest monies of the Fund in other collective investment schemes managed by the Managers or their Related Corporations, and deposit monies of the Fund in the ordinary course of business of the Fund with their Related Corporations which are banks licensed

under the Banking Act, Chapter 19 of Singapore, finance companies licensed under the Finance Companies Act, Chapter 108 of Singapore, merchant banks approved as financial institutions under Section 28 of the Monetary Authority of Singapore Act, Chapter 186 of Singapore or any other deposit-taking institution licensed under an equivalent law in a foreign jurisdiction. The Managers will endeavour to ensure that such investments and deposits are made on normal commercial terms and are consistent with the investment objective, focus and approach of the Fund.

18. REPORTS

The financial year-end for the Fund is 31 December. The annual report, annual accounts and the auditor's report on the annual accounts (once available) will be prepared and sent to you (whether by post or such electronic means as may be permitted under the Code) within 3 months of the financial year-end (or such other period as may be permitted by the Authority). The semi-annual report and semi-annual accounts (once available) will be prepared and sent to you (whether by post or such electronic means as may be permitted under the Code) within 2 months of the financial half-year end (or such other period as may be permitted by the Authority), i.e. 30 June each year. In cases where the accounts and reports are available in electronic form, you will receive a hardcopy letter or an email (where email addresses have been provided for correspondence purposes) informing you that the accounts and reports are available and how they may be accessed. You may also request for hardcopies of the accounts and reports within 1 month (or such other period as may be permitted by the Authority) from the notification of the availability of the accounts and reports. The Trustee will also make available, or cause to be made available, hardcopies of the accounts and reports to any Holder who requests for them within 2 weeks of any request from such Holder (or such other period as may be permitted by the Authority).

19. QUERIES AND COMPLAINTS

All enquiries and complaints about the Fund should be directed to the Managers at:

Telephone no : (65) 6323 2508
Fax no : (65) 6323 2314
Business Address : 10 Collyer Quay, #09-08 Ocean Financial Centre, Singapore 049315

20. OTHER MATERIAL INFORMATION

20.1 Exempting Provisions in Favour of the Managers and the Trustee

20.1.1 Neither the Managers nor the Trustee shall incur any liability in respect of any action taken or thing suffered by them in reliance upon any notice, resolution, direction, consent, certificate, affidavit, statement, certificate of stock, plan or reorganisation or other paper or document believed to be genuine and to have been passed, sealed or signed by the proper parties.

20.1.2 Neither the Managers nor the Trustee shall incur any liability to the Holders for doing or (as the case may be) failing to do any act or thing which by reason of any provision of any present or future law or regulation made pursuant thereto, or of any decree, order or judgement of any court of competent jurisdiction, or by reason of any request, announcement or similar action (whether of binding legal effect or not) which may be taken or made by any person or body acting with or purporting to

exercise the authority of any government (whether legally or otherwise) either they or either of them shall be directed or requested to do or perform or to forbear from doing or performing. If for any reason it becomes impossible or impracticable to carry out any of the provisions of the Deed neither the Managers nor the Trustee shall be under any liability therefor or thereby.

- 20.1.3** Neither the Managers nor the Trustee shall be responsible for the authenticity of any signature or any seal affixed to any instrument of transfer or form of application, endorsement or other document affecting the title to or transmission of Units or be in any way liable for any forged or unauthorised signature on or any seal affixed to such endorsement, instrument of transfer or other document or for acting or giving effect to any such forged or unauthorised signature or seal. The Managers and the Trustee respectively may nevertheless require that the signature of any Holder or Joint Holder to any document required to be signed by him under or in connection with the Deed shall be verified to their reasonable satisfaction.
- 20.1.4** Neither the Managers nor the Trustee shall incur any liability for the consequences of acting upon any resolution purported to have been passed at any meeting of Holders duly convened and held in accordance with the provisions contained in Schedule 1 of the Deed in respect whereof minutes have been made and signed even though it may be subsequently found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not binding on the Holders.
- 20.1.5** Any indemnity expressly given to the Managers or the Trustee in the Deed is in addition to and without prejudice to any indemnity allowed by law provided that no provision in the Deed shall in any case where the Trustee or the Managers have failed to show the degree of care and diligence required of them as trustee and managers, exempt them or indemnify them against any liability for breach of trust.
- 20.1.6** Nothing herein contained shall be construed so as to prevent the Managers and the Trustee in conjunction or the Managers or the Trustee separately from acting as managers or trustee of trusts separate and distinct from the Trust.

20.2 Custody of Investments

- 20.2.1** The Trustee shall be responsible for the safe custody of the Deposited Property. Any Authorised Investments forming part of the Deposited Property shall, whether in registered or bearer form, be paid or transferred to the order of the Trustee forthwith on receipt by the Managers and be dealt with as the Trustee may think proper for the purpose of providing for the safe custody thereof. The Trustee may act as custodian itself or appoint such persons (including any Associate of the Trustee) as custodian or joint custodian (with the Trustee if it is acting as custodian or with any other custodian appointed by the Trustee) of the whole or any part of the Deposited Property and (where the Trustee is custodian) the Trustee may appoint or (where the Trustee appoints a custodian) the Trustee may empower such custodian or joint custodian (as the case may be) to appoint, with prior consent in writing of the Trustee, sub-custodians. The Trustee shall remain liable hereunder for any act or omission of any such custodian, joint custodian or sub-custodian as if it were the act or omission of the Trustee provided that the Trustee shall not be so liable if it has acted in good faith and without negligence and has exercised reasonable care and skill in the selection, appointment and monitoring of such

persons. The fees and expenses of any such custodian, joint custodian or sub-custodian shall be paid out of the relevant Deposited Property.

20.2.2 The Trustee itself may or may at any time procure that:-

- (a) any officer of the Trustee jointly with the Trustee;
- (b) any nominee appointed by the Trustee;
- (c) any such nominee and the Trustee;
- (d) any custodian, joint custodian or sub-custodian appointed pursuant to Clause 28.2 of the Deed;
- (e) any company operating a depository or recognised clearing system in respect of the Authorised Investments involved; or
- (f) any broker, financial institution or other person (or in each case its nominee) with whom the same is deposited in order to satisfy any requirement to deposit margin or security;

take delivery of and retain and/or be registered as proprietor of any Authorised Investment in registered form held upon the trusts of the Deed.

20.2.3 Notwithstanding anything contained in the Deed:-

- (a) the Trustee shall not incur any liability in respect of or be responsible for losses incurred through the insolvency of or any act or omission of any depository or clearing system with which Authorised Investments may be deposited or any broker, financial institution or other person (or in each case its nominee) with whom Authorised Investments are deposited in order to satisfy any margin requirement;
- (b) the Trustee shall not incur any liability in respect of or be responsible for losses incurred through the insolvency of or any act or omission of any nominee, custodian, joint custodian or sub-custodian appointed by the Trustee except where the Trustee has failed to exercise reasonable skill and care in the selection, appointment and monitoring of such appointee (having regard to the market in which the relevant appointee is located) or the Trustee is in wilful default; and
- (c) the Trustee shall not incur any liability in respect of or be responsible for losses through the insolvency of or any act or omission of any sub-custodian not appointed by it.

20.3 Valuation

20.3.1 Save as otherwise expressly provided herein, and subject always to the requirements of the Code, for the purpose of determining the Value of any Deposited Property or any part thereof or any Investment comprised or to be comprised therein by the Managers or other agents on behalf of the Managers:-

- (a) the Value shall be determined as at each Valuation Point in respect of the relevant Dealing Day;

- (b) the Value of any Unquoted Investment shall be the initial value thereof ascertained as hereinafter provided or the value thereof as assessed on the latest revaluation thereof made in accordance with the following provisions:-
- (i) the initial value of such Unquoted Investment shall be the amount expended out of the relevant Deposited Property in the acquisition thereof (including in each case the amount of the stamp duties, commissions and other expenses incurred in the acquisition thereof and the vesting thereof in the Trustee for the purposes of the Fund); and
 - (ii) the Managers may at any time with the approval of the Trustee and shall at such times or at such intervals as the Trustee may request cause a revaluation to be made of any Unquoted Investment by an Approved Valuer approved by the Trustee as qualified to value such Unquoted Investment;
- (c) the Value of any Quoted Investment shall be calculated, as the case may be, by reference to the price appearing to the Managers to be the official closing price, the last known transacted price or the last transacted price or if there is no such official closing price, last known transacted price or last transacted price and if bid and offer quotations are made or other appropriate closing prices determined by the Managers in consultation with the Trustee in relation to that Investment;
- (d) cash, deposits and similar property shall be valued (by an Approved Valuer) at their face value (together with accrued interest) unless in the opinion of the Managers (after consultation with the Trustee), any adjustment should be made;
- (e) units in any unit trust or shares or participations in open-ended mutual funds shall be valued at the latest available net asset value per unit or share or participation as valued by the issuer thereof;
- (f) futures contracts shall be valued:-
- (i) in the case of a futures contract for the sale of the subject matter thereof, the amount equal to the contract value less the sum of the amount required to close the contract and the amount spent by the Fund to enter into the contract; and
 - (ii) in the case of a futures contract for the purchase of the subject matter thereof, the amount equal to the amount required to close the contract less the sum of the contract value and the amount spent by the Fund to enter into the contract;
- (g) gold (to the extent permitted by the Code) shall be valued by reference to the mean of the bid and offered prices in United States Dollars per troy ounce of gold on the spot gold market in Singapore at the time of calculation; and
- (h) any other property forming part of the Authorised Investments shall be valued (by an Approved Valuer) at such time or times as the Managers and the Trustee shall from time to time agree;

provided that if the quotations referred to in paragraphs (c), (e) and (g) above are not available or if the Value of the Authorised Investment determined in the manner described in paragraphs (b) to (h) above, in the opinion of the Managers does not represent a fair value of the Authorised Investment, then the value of such Authorised Investment shall be any fair value as the Managers may determine with due care and in good faith and with the consent of the Trustee and in determining such fair value, the Managers may rely on quotations for the Investment on any Recognised Stock Exchange or telephone market or any certified valuation by an Approved Broker or an Approved Valuer. The method of calculation of the Value of any Investment may be changed to the extent permitted by the Authority and with the Trustee's prior approval, and the Trustee shall determine if the Holders should be informed of such change and the Managers shall notify the Holders of such change if so required by the Trustee.

20.3.2 The Managers shall not, subject to the provisions of the Code, incur any liability by reason of the fact that a price reasonably believed by them to be the last sale price or other appropriate closing price may be found not to be such provided that such liability shall not have arisen out of the negligence or wilful acts or omissions of the Managers, and the Trustee shall not assume any liability in accepting the opinion of the Managers in any case.

20.3.3 In calculating the Value of the Deposited Property or any part thereof:-

- (a) subject to Clause 9.6 of the Deed, every Unit agreed to be issued by the Managers before the relevant Valuation Point shall be deemed to be in issue and the Deposited Property shall be deemed to include not only property in the possession of the Trustee but also the value of any cash or other property to be received by the Trustee in respect of Units so agreed to be issued after deducting therefrom or providing thereout the Initial Sales Charge or any fee in connection with the exchange of Units (as the case may be) and the amount of any adjustments authorised by the Deed and (in the case of Units issued against the transfer of Authorised Investments) any amounts payable pursuant to Clause 10 of the Deed;
- (b) where Investments have been agreed to be sold or purchased but such sale or purchase has not been completed, such Investments shall be excluded or included and the net sale or gross purchase consideration included or excluded (as the case may require) as if such sale or purchase had been duly completed;
- (c) where in consequence of any notice or request in writing given pursuant to Clauses 13 or 14 of the Deed a reduction of the Fund by the cancellation of Units is to be effected but such reduction has not been completed those Units shall be deemed not to be in issue and any amount payable in cash and the Value of any Investments to be transferred out of the Deposited Property pursuant to such reduction shall be deducted from the Value of the Deposited Property;
- (d) there shall be deducted any amounts not provided for above which are payable out of the Deposited Property pursuant to Clause 5 of the Deed, including but not limited to, the aggregate amount for the time being outstanding of any borrowings effected pursuant to Clause 21 of the Deed

together with the amount of any interest and expenses thereon accrued pursuant to Clause 21.6 of the Deed remaining unpaid and the amount of any Management Fee (which shall be deducted in accordance with paragraph 20.3.4 below if the Management Fee differs between the Classes) accrued pursuant to Clause 35 of the Deed, any fees payable to the Trustee accrued pursuant to Clause 36 of the Deed, the Realisation Charge (if any), the registrar's agent's fees, the securities transactions fee, the inception fee of the Trustee and any other expenses accrued but remaining unpaid attributable to the Deposited Property;

- (e) there shall be adjusted such amount as the Managers estimate will become payable or recoverable in respect of taxation related to Income up to the Valuation Point;
- (f) where the current price of an Investment is quoted "ex" any dividend (including stock dividend), interest or other rights to which the Fund is entitled but such dividend, interest, property or cash to which such rights relates has not been received and is not otherwise taken into account, the amount of such dividend, interest, property or cash shall be included;
- (g) an amount equal to the expenses incurred by the Managers and the Trustee in establishing and terminating the Fund and/or any Class and referred to in Clauses 5.5(r) and 5.5(s) of the Deed less the amount thereof which has previously been or is then to be written off shall be included;
- (h) subject to Clause 21 of the Deed and the relevant Authorised Funds Investment Guidelines, any Value (whether of an Investment or cash) otherwise than in USD and any amounts to be deducted otherwise than in USD shall be translated into USD at the rate (whether official or otherwise) which the Managers, after consulting the Trustee or in accordance with a method approved by the Trustee, deem appropriate in all the circumstances having regard, inter alia, to any premium or discount which may be relevant and to the costs of exchange;
- (i) there shall be deducted the amount in respect of tax, if any, on net capital gains realised during a current Accounting Period prior to the valuation being made as in the estimate of the Managers will become payable which is attributable to the Fund; and
- (j) there shall be added the amount of tax, if any, on capital gains estimated to be recoverable and not received which is attributable to the Fund.

20.3.4 In respect of paragraph 20.3.3 above, the Value of the proportion of the Deposited Property attributable to each Class shall be calculated by apportioning the Value of the relevant Deposited Property (obtained in accordance with paragraphs 20.3.1 and 20.3.3 above provided that no deduction or addition shall be made in respect of expenses, charges or other amounts which are not common to all the Classes) between the Classes and then deducting from or adding to the Value of the proportion of the Deposited Property for each Class any expense, charge or other amount attributable to such Class (including, but not limited to, the Management Fee if it differs between the Classes). For the avoidance of doubt, where any expense, charge or amount payable out of or payable into the Deposited Property

pursuant to the Deed is attributable only to a particular Class, such amount shall only be deducted from or added to the value of the Deposited Property which is attributable to that Class and shall not affect the calculation of the Value of the Deposited Property attributable to the other Classes.

20.4 Duration and Termination of the Fund

Termination of the Fund

20.4.1 The Fund is of indeterminate duration and may be terminated as provided in Clause 40 of the Deed.

20.4.2 Either the Managers or the Trustee may in their absolute discretion terminate the Fund by giving not less than one month's notice (or such other period as may be agreed between the Managers and the Trustee) to the other at any time. If the Fund is to be terminated under this paragraph the Managers or the Trustee (as the case may be) shall give notice thereof in writing to the Holders not less than one month in advance of such termination.

20.4.3 The Fund may be terminated by the Trustee if:-

- (a) any law is passed or any direction is given by the Authority which renders it illegal or in the opinion of the Trustee impracticable or inadvisable to continue the Fund or if any approval or authorisation of the Fund is revoked or withdrawn;
- (b) within the period of three months after the date on which the Trustee gave notice in writing to the Managers that it wishes to retire pursuant to Clause 39.2 of the Deed, a new trustee has not been appointed in accordance with that Clause; or
- (c) within the period of three months after the date on which the Trustee gave notice in writing to the Managers pursuant to Clause 38.1 of the Deed, new managers have not been appointed in accordance with Clause 38.3 of the Deed.

The decision of the Trustee in any of the events specified in paragraph 20.4.3 shall be final and binding upon the Managers and the Holders but the Trustee shall be under no liability on account of any failure to terminate the Fund pursuant to this paragraph 20.4.3 or otherwise.

20.4.4 The Fund may be terminated by the Managers:-

- (a) on any date if on such date the aggregate of the Value of the Deposited Property of the Fund is less than US\$20 million or its equivalent in any applicable currency;
- (b) if the Trustee ceases to be a qualified corporation (as defined in Clause 39.4 of the Deed); or
- (c) if any law is passed or any direction is given by the Authority which renders it illegal or in the opinion of the Managers impracticable or inadvisable to continue the Fund or if any approval or authorisation of the Fund is revoked or withdrawn.

The decision of the Managers in any of the events specified in this paragraph 20.4.4 shall be final and binding upon the Trustee and the Holders but the Managers shall be under no liability on account of any failure to terminate the Fund pursuant to this paragraph 20.4.4 or otherwise.

- 20.4.5** The party terminating the Fund in accordance with this paragraph 20.4 shall give notice in writing of such termination to the Holders and by such notice fix the date at which such termination is to take effect which date shall not be less than one month after the giving of such notice (or such earlier date as may be necessary to comply with any law or direction of the Authority).
- 20.4.6** The Fund may at any time be terminated by the Holders by Extraordinary Resolution and such termination shall take effect on the date on which the Extraordinary Resolution is passed or on such later date (if any) as the Extraordinary Resolution may provide.

Termination of a Class

- 20.4.7** The provisions in this paragraph 20.4.7 shall apply where more than one Class of Units is established within the Fund. Each Class may be terminated as provided in this paragraph 20.4.7.
- 20.4.8** The Managers may in their absolute discretion terminate a Class by not less than one month's notice to the Trustee. If the Class is to be terminated under this paragraph 20.4.8 the Managers shall give notice thereof in writing to the Holders of that Class not less than one month in advance of such termination.
- 20.4.9** A Class may be terminated by the Trustee if any law is passed or any direction is given by the Authority which renders it illegal or in the opinion of the Trustee impracticable or inadvisable to continue the Class or if any approval or authorisation of the Class is revoked or withdrawn. The decision of the Trustee in such event shall be final and binding upon the Managers and the Holders but the Trustee shall be under no liability on account of any failure to terminate the Class pursuant to this paragraph 20.4.9 or otherwise.
- 20.4.10** A Class may be terminated by the Managers:-
- (a) on any date if on such date the aggregate of the Value of the Deposited Property of that Class is less than US\$20 million or its equivalent in any applicable currency;
 - (b) subject to the Trustee's approval, if the Managers are of the reasonable opinion that it is not in the best interest of Holders of Units in that Class to continue the Class; or
 - (c) if any law is passed or any direction given by the Authority which renders it illegal or in the opinion of the Managers impracticable or inadvisable to continue that Class or if any approval or authorisation of that Class is revoked or withdrawn.

The decision of the Managers in any of the events specified in this paragraph 20.4.10 shall be final and binding upon the Trustee and the Holders but the Managers shall be under no liability on account of any failure to terminate the Class pursuant to this paragraph 20.4.10 or otherwise.

- 20.4.11** The party terminating a Class in accordance with this paragraph 20.4 shall give notice in writing of such termination to the Holders of that Class and by such notice fix the date at which such termination is to take effect which date shall not be less than one month after the giving of such notice (or such earlier date as may be necessary to comply with any law or direction given by the Authority).
- 20.4.12** A Class may at any time be terminated by the Holders of that Class by Extraordinary Resolution and such termination shall take effect on the date on which the Extraordinary Resolution is passed or on such later date (if any) as the Extraordinary Resolution may provide.
- 20.4.13** To the extent permitted by applicable laws and subject to the Trustee's approval, upon a Class being terminated ("**Terminated Class**"), Holders of Units in the Terminated Class may at the discretion of the Managers (in consultation with the Trustee) be issued Units in any other Class (that is denominated in the same currency as the Units in the Terminated Class) in exchange for their Units in the Terminated Class as if the Holder had submitted a Conversion Notice pursuant to Clause 12.2 of the Deed, on the date specified by the Managers and notified to the Holders. The Managers may at their discretion waive any Conversion Fee, Realisation Charge or Initial Sales Charge which would otherwise be payable in respect of the conversion of Units. This is without prejudice to the right of the Holders to realise their Units prior to the specified date in accordance with the provisions of Clause 14 of the Deed.

20.5 Compulsory realisation of Units

- 20.5.1** The Managers have the right (in consultation with the Trustee) to compulsorily realise any holdings of Units in the Fund held by:
- (a) any Holder:
 - (i) whose subscription for or holding of Units, in the opinion of the Managers, is or may be in breach of any applicable law or regulation in any jurisdiction; or
 - (ii) where such realisation is, in the opinion of the Managers, necessary or desirable for the compliance by the Managers or the Fund with any applicable law or regulation in any jurisdiction (including any regulatory exemption conditions); or
 - (b) any Holder whose holdings of Units, in the opinion of the Managers:
 - (i) may cause the Fund to lose its authorised or registered status with any regulatory authority in any jurisdiction; or
 - (ii) may cause the offer of the Units of the Fund, this Prospectus, the Deed, the Managers or the Trustee to become subject to any authorisation, recognition, approval or registration requirements under any law or regulation in any other jurisdiction; or
 - (c) any Holder whose holdings of Units, in the opinion of the Managers:
 - (i) may cause a detrimental effect on the tax status of the Fund in any jurisdiction or on the tax status of the Holders of the Fund; or

- (ii) may result in the Fund or other Holders of the Fund suffering any other legal or pecuniary or administrative disadvantage which the Fund or the Holders might otherwise not have incurred or suffered; or
- (d) any Holder who fails any anti-money laundering, anti-terrorist financing or know-your-client checks, or where any information and/or documentary evidence requested by the Managers and/or the Trustee for the purposes of any anti-money laundering, anti-terrorist financing or know-your-client checks cannot be obtained from the Holder, or the Holder has failed to provide the same, in a timely manner; or
- (e) any Holder, where information (including but not limited to information regarding tax status, identity or residency), self-certifications or documents as may be requested by the Managers and/or the Trustee pursuant to any laws, regulations, guidelines, directives or contractual obligations with other jurisdictions' authorities (including, without limitation, the FATCA (as defined in the Important Information section of this Prospectus) and/or any Singapore laws, regulations, guidelines and directives implemented as part of any inter-governmental agreement entered into between the United States and Singapore in connection with the FATCA) cannot be obtained from the Holder, or the Holder has failed to provide the same, in a timely manner; or
- (f) any Holder who does not consent, or withdraws his consent, for the Managers or the Trustee to collect, use and/or disclose information or data relating to the Holder, where such information or data is necessary for, or reasonably required by, the Managers, the Trustee, their respective related corporations and/or other service providers to perform their respective services and/or duties to or in respect of (i) the Fund and/or (ii) the Holder in relation to his holdings of Units in the Fund.

20.5.2 If the Managers and/or the Trustee are required to account to any duly empowered fiscal authority of Singapore or elsewhere for any income or other taxes, charges or assessments whatsoever on the value of any Units held by a Holder, the Managers (in consultation with the Trustee) shall be entitled to compulsorily realise such number of Units held by that Holder as may be necessary to discharge the liability arising. The Managers and/or the Trustee (as the case may be) shall be entitled to apply the proceeds of such realisation in payment, reimbursement and/or set-off against the liability.

20.5.3 Any compulsory realisation under paragraphs 20.5.1 or 20.5.2 may be carried out by the Managers on any Dealing Day after giving prior written notice to the relevant Holder, and shall be carried out in accordance with, and at the realisation price determined under, the relevant provisions of the Deed.

20.5.4 The Managers, the Trustee and their respective delegates, agents or Associates (as defined in the Deed) shall not be liable for any loss (whether direct or consequential and including, without limitation, loss of profit or interest) or damage suffered by any Holder or any party arising out of or caused in whole or in part by any actions which are taken by the Managers, the Trustee and/or any of their respective delegates, agents or associates under paragraphs 20.5.1 or 20.5.2 or 20.5.3.

20.6 Automatic Exchange or Conversion

Upon the Fund being terminated, and unless a Holder of Units in the Fund redeems, exchanges or converts his/her Units (if permitted to do so) in accordance with the provisions of the Deed prior to the effective date of the termination of the Fund (or such other date as the Managers and the Trustee may deem appropriate), such Holder's Units in the Fund may at the discretion of the Managers (in consultation with the Trustee) be automatically exchanged for or converted to units of such other scheme managed by the Managers. The provisions of Clause 12 of the Deed shall apply mutatis mutandis to the automatic exchange or conversion pursuant to this paragraph 20.6 but the Holders shall not be liable for any Exchange Fee, Conversion Fee, Initial Sales Charge, Realisation Charge or other fees or charges pursuant to the said automatic exchange or conversion.

20.7 Credit Rating

In the event that the Managers rely on ratings issued by credit rating agencies in any of their investments, the Managers have established a set of internal credit assessment standards and have put in place a credit assessment process to ensure that their investments are in line with these standards. Information on the Managers' credit assessment process will be made available to investors upon request, in such form and extent as deemed appropriate by the Managers. Investors shall agree in writing to keep such information on the Managers' credit assessment process confidential.

20.8 Liquidity Risk Management

The Managers have established a liquidity risk management policy with the aim to enable them to identify, monitor, manage and mitigate the liquidity risks of the Fund and to ensure that the liquidity profile of the investments of the Fund will facilitate compliance with the Fund's obligation to meet redemption requests. Such policy, combined with the governance framework in place and the liquidity management tools of the Managers, also seeks to achieve fair treatment of Holders and safeguard the interests of remaining or existing Holders in case of sizeable realisations or subscriptions.

The Managers' liquidity risk management policy takes into account the investment strategy, the dealing frequency, the underlying assets' liquidity (and whether they are priced at fair value) and the ability to enforce realisation limitations of the Fund.

The liquidity risk management policy involves monitoring the profile of investments held by the Fund on an on-going basis with the aim to ensure that such investments are appropriate to the realisation policy as stated under the section headed "Realisation of Units", and will facilitate compliance with the Fund's obligation to meet realisation requests. Further, the liquidity management policy includes details on periodic stress testing carried out by an independent risk management team to manage the liquidity risk of the Fund in times of exceptional realisation conditions.

The Managers' risk management function is independent of the investment portfolio management function and is responsible for independent review of the Fund's liquidity risk through liquidity stress tests performed in accordance with the Managers' liquidity risk management policy. Exceptions on liquidity risk related issues are escalated to the Managers' delegated Committee with appropriate actions properly documented.

The Managers may employ one or more tools to manage liquidity risks including, but not limited to:

- the Managers are entitled at their discretion and with the approval of the Trustee, to limit the realisation of Units of any Class in the Fund on any Dealing Day to 10 per cent of the total number of Units of the relevant class in issue (subject to the conditions under the heading entitled “Realisation of Units”);
- the Managers may, after providing notice to the Trustee and all Holders, declare a suspension of the determination of the net asset value of the Fund and the valuation of Units as set out in paragraph 14.

RHB CHINA-ASEAN FUND

PROSPECTUS

BOARD OF DIRECTORS OF RHB ASSET MANAGEMENT PTE. LTD.

Signed:



Yap Chee Meng
Director

Signed:



Dr. Ngo Get Ping
Director

Signed:



Ong Yin Suen, Eliza
Director