

9 February 2024

Dear Unit Holders,

RE: ISSUANCE OF REPLACEMENT INFORMATION MEMORANDUM IN RELATION TO THE TA FLEXIBLE ASIAN BOND FUND (“FUND” OR “REPLACEMENT INFORMATION MEMORANDUM”)

First and foremost, we thank you for investing in the Fund.

Reference to our letter dated 7 February 2024, we would like to inform you on the following update to the Fund which will take effect from the date of the Replacement Information Memorandum:

- (a) Update to the other expenses related to the Fund;
- (b) Update to the general risks of the Fund; and
- (c) Update to the salient terms of the deed of the Fund.

Please refer to Appendix 1 on the proposed amendments.

Please note that the proposed amendments do not represent all the amendments which will be made via the Replacement Information Memorandum, and is subject to changes as may be required from time to time.

The changes of the Fund shall apply on the date of issue of the Replacement Information Memorandum which will be lodged with the Securities Commission Malaysia via Lodge and Launch Framework, targeting end February 2024.

Please note that the Replacement Information Memorandum will be available on our website at www.tainvest.com.my on the date of issue of the Replacement Information Memorandum.

Should you require further clarifications on the above matter, you may contact us at (603) 2031 6603 or email us at investor.taim@ta.com.my.

Appendix 1:

Proposed Amendments

1. Other expenses related to the Fund will be updated to the following:

- fees in relation to fund accounting;
- costs, fees and expenses incurred for the subscription, renewal and/or licensing of the performance benchmark for the Fund.

Note:

The above list of other expenses of the Fund are not exhaustive, and the trustee may exercise its discretion in determining whether or not to allow an expense (or the quantum of the expense) to be charged to the Fund. The expenses are directly related to the operation and administration of the Fund. Please note on the following:

- a. fees in relation to fund accounting - This fee has not been charged to the Fund before as we do not currently outsource the function to any external party. We intend to impose the market rate of the fund accounting fee to the Fund in the event if we decided to outsource the function. Currently, to our best knowledge, the market rate of the fund accounting fee quoted by the service provider is up to 0.03%p.a. with a minimum fee.
- b. costs, fees and expenses incurred for the subscription, renewal and/or licensing of the performance benchmark for the Fund - We intend to impose the benchmark fee of up to 0.07%p.a. of the NAV to the Fund in the event if the Fund changes the benchmark and the index sponsor imposed a licensing fee to the Fund or the index sponsor has imposed the licensing fee to the Fund, where applicable.

2. General risks of investing in the Fund will be updated to include the following:

b) Manager Risk

This risk refers to the day-to-day management of the Fund by the Manager which will impact the performance of the Fund. For example, investment decisions undertaken by the Manager, as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the Deed, relevant law or Guidelines due to factors such as human error or weaknesses in operational processes and systems may adversely affect the performance of the Fund.

e) Loan Financing Risk

This risk occurs when investors take a loan or financing to finance their investment. The inherent risk of investing with borrowed or financed money includes investors being unable to service the loan or financing repayments. In the event Units are used as collateral, investors may be required to top-up the investors' existing instalment if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower NAV per Unit as compared to the NAV per Unit at the point of purchase towards settling the loan or financing.

g) Suspension Risk

The Manager may, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the redemption of Units where it is impractical for the Manager to calculate the NAV of the Fund due to the Manager being unable to determine the market value or fair value of a material portion of the Fund's investment. Upon suspension, the Fund will not be able to pay Unit Holders' redemption proceeds in a timely manner and Unit Holders will be required to remain invested in the

Fund for a longer period. In such a scenario, Unit Holder's investments will continue to be subjected to risk factors inherent to the Fund.

3. Salient terms of the deed of the Fund will be updated to the following:

Rights of the Unit Holders

As a Unit Holder, and subject to the provisions of the Deed, you have the right:

- (a) to receive distribution of income (if any) and/or capital;
- (b) to participate in any increase in the value of the Units;
- (c) to call for Unit Holders' meetings, and to vote for the removal of the Trustee or the Manager through Special Resolution;
- (d) to receive annual and quarterly reports of the Fund; and
- (e) to enjoy such other rights and privileges as are provided for in the Deed.

No Unit Holder shall be entitled to require the transfer to him of any of the Fund's assets or be entitled to interfere with or question the exercise by the Trustee, or the Manager on its behalf, of the rights of the Trustee as the registered owner of such assets.

Termination of the Fund

The Manager may terminate the Fund in accordance with the relevant laws. If the Fund is left with no Unit Holders, the Manager shall be entitled to terminate the Fund. The Manager, upon termination, shall as soon as practicable notify the existing Unit Holders of the Fund in writing of the following options:

- 1. to receive the net cash proceeds derived from the sale of all the Fund's assets less any payment for liabilities of the Fund and any cash produce available for distribution in proportion to the number of Units held by the Unit Holders respectively;
- 2. to use the net cash proceeds to invest in any other wholesale fund managed by the Manager upon such terms and conditions as shall be set out in the written notification; or
- 3. to choose any other alternative as may be proposed by the Manager.

Nonetheless, the Fund may be terminated if a Special Resolution is passed at a Unit Holders' meeting to terminate the Fund.

The Fund and/or any of the Classes may be terminated or wound-up, without the need to seek Unit Holders' prior approval, as proposed by the Manager with the consent of the Trustee (which consent shall not be unreasonably withheld) upon the occurrence of any of the following events, by giving not less than one (1) month's notice in writing to the Unit Holders as hereinafter provided (i) if any law shall be passed which renders it illegal or (ii) if in the reasonable opinion of that Manager it is impracticable or inadvisable to continue the Fund or Class, as the case may be. A Class of the Fund may be terminated by the Unit Holder if a Special Resolution is passed at a Unit Holders' meeting of that Class to terminate or wind-up that Class provided always that such termination or winding-up of that Class does not materially prejudice the interest of any other Class in that Fund.

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