

TA DANA AFIF (“FUND”)

THE MANAGER’S EXPLANATORY NOTES IN RESPECT OF THE RESOLUTION PROPOSED FOR THE UNIT HOLDERS’ MEETING TO BE HELD ON 17 APRIL 2026

1. Resolution

1.1. Currently, subject to the availability of income, the Fund distributes income on a semi-annual basis. Distribution of income can only be made from realised gains or realised income.

1.2. The Manager is proposing:

(i) for the following changes to be made to the distribution policy of the Fund:

Item	Current disclosure	Proposed disclosure
Distribution policy of the Fund	Semi-annual distribution. Subject to availability of income.	The Fund intends to distribute income, if any, on a monthly basis, at the Manager’s discretion.

(ii) to allow the Fund to declare distribution out of the Fund’s capital in addition to realised gains and realised income pursuant to the provisions of the Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia which allows a variable price fund such as the Fund to declare distribution out of its capital.

1.3. The proposed change to the distribution policy of the Fund is intended to provide more regular cash flow to the unit holders. The Fund’s investment objective and strategy remain unchanged.

1.4. The proposed distribution out of the Fund’s capital is to allow the Fund the ability to distribute income on a monthly basis in accordance with the distribution policy of the Fund. Although the Manager intends to declare distribution from the Fund’s realised gains and realised income, the Manager may also declare distribution out of the Fund’s capital when the Fund has insufficient realised gains or realised income to do so; in doing so, the Manager will consider the risk of distributing out of capital against the Fund’s investment objective of maintaining capital stability.

1.5. If the resolution is passed, the Manager will be given the authority to declare distribution out of the Fund’s capital and if the Fund declares distribution out of its capital, unit holders should be aware that the Fund’s capital will be eroded, the distribution is achieved by foregoing the potential for future capital growth and this cycle may continue until all capital is depleted. The greater the risk of capital erosion that exists, there is likelihood that, due to capital erosion, the value of future returns would also be diminished. Further, the Manager and/or the trustee of the Fund shall be authorised to do all such things necessary to give effect to the change of distribution policy of the Fund in accordance with the relevant laws, guidelines and provisions of the Deed.

1.6. If the Fund were to declare distribution out of its capital after the passing of this resolution, the composition of distribution payments sourced from income and capital will be disclosed in the Fund’s semi-annual and annual reports, both in terms of value and percentage.

1.7. A supplemental deed and a supplementary master prospectus in respect of the Fund will be submitted to the Securities Commission Malaysia for registration to reflect the changes set out in paragraph 1.2. above.