

## This is a Private Retirement Scheme

### 1<sup>st</sup> Supplemental Disclosure Document for the Hong Leong Private Retirement Scheme - Conventional

This 1<sup>st</sup> Supplemental Disclosure Document for the Hong Leong Private Retirement Scheme - Conventional is dated 30 August 2023 (“**1<sup>st</sup> Supplemental Disclosure Document**”) for the following funds:

<u>Core Funds</u>	<u>Date of Constitution</u>
Hong Leong PRS Growth Fund	24 June 2022
Hong Leong PRS Moderate Fund	24 June 2022
Hong Leong PRS Conservative Fund	24 June 2022

  

<u>Non-Core Fund</u>	<u>Date of Constitution</u>
Hong Leong PRS Asia Pacific Fund	24 June 2022

(collectively “**the Funds**” and individually “**the Fund**”).

The Hong Leong Private Retirement Scheme - Conventional was constituted on 24 June 2022.

#### **PRS Provider**

HONG LEONG ASSET MANAGEMENT BHD [199401033034 (318717-M)]

#### **Scheme Trustee**

CIMB COMMERCE TRUSTEE BERHAD [199401027349 (313031-A)]

**MEMBERS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS 1<sup>st</sup> SUPPLEMENTAL DISCLOSURE DOCUMENT WHICH IS TO BE READ TOGETHER WITH THE DISCLOSURE DOCUMENT FOR THE HONG LEONG PRIVATE RETIREMENT SCHEME - CONVENTIONAL DATED 20 DECEMBER 2022. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.**

**FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE MEMBERS, SEE “RISK FACTORS” COMMENCING ON PAGE 20 OF THE DISCLOSURE DOCUMENT FOR THE HONG LEONG PRIVATE RETIREMENT SCHEME - CONVENTIONAL DATED 20 DECEMBER 2022 AND PAGE 3 OF THIS 1<sup>ST</sup> SUPPLEMENTAL DISCLOSURE DOCUMENT.**

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### **RESPONSIBILITY STATEMENTS**

This 1<sup>st</sup> Supplemental Disclosure Document has been reviewed and approved by the directors of Hong Leong Asset Management Bhd and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in this 1<sup>st</sup> Supplemental Disclosure Document false or misleading.

### **STATEMENTS OF DISCLAIMER**

The Securities Commission Malaysia has approved the Scheme and authorised the Funds under the Scheme, and a copy of this 1<sup>st</sup> Supplemental Disclosure Document has been registered with the Securities Commission Malaysia.

The approval and authorisation, as well as the registration of this 1<sup>st</sup> Supplemental Disclosure Document should not be taken to indicate that the Securities Commission Malaysia recommends the Scheme or Funds under the Scheme or assumes responsibility for the correctness of any statement made or opinion or report expressed in this 1<sup>st</sup> Supplemental Disclosure Document.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Hong Leong Asset Management Bhd, responsible for the Scheme and the Funds under the Scheme, and takes no responsibility for the contents in this 1<sup>st</sup> Supplemental Disclosure Document. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this 1<sup>st</sup> Supplemental Disclosure Document, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

Members should rely on their own evaluation to assess the merits and risks of the investment. In considering the investment, members who are in doubt on the action to be taken should consult professional advisers immediately.

### **ADDITIONAL STATEMENTS**

Members are advised to note that recourse for false or misleading statements or acts made in connection with this 1<sup>st</sup> Supplemental Disclosure Document is directly available through section 92A(3) of the *Capital Markets and Services Act 2007*.

This 1<sup>st</sup> Supplemental Disclosure Document is supplementary to and has to be read in together with the Disclosure Document for the Hong Leong Private Retirement Scheme - Conventional dated 20 December 2022.

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## 1 General Amendments

- (a) All references to “Hong Leong PRS Growth Fund”, “Hong Leong PRS Moderate Fund”, “Hong Leong PRS Conservative Fund” and “Hong Leong PRS Asia Pacific Fund” from page 12 of the Disclosure Document dated 20 December 2022 onwards have been amended to “HLPRSGF”, “HLPRSMF”, “HLPRSCF” and “HLPRSAPF” respectively.
- (b) All references to “interim” in the Disclosure Document dated 20 December 2022 has been amended to “semi-annual”.

## 2 Amendment to Section 1: Definitions

The definition disclosed on page 7 in the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is deleted in its entirety and substituted with the following:-

SC The Securities Commission Malaysia.

## 3 Amendment to Section 2: Corporate Directory

The information in relation to the “Investment Committee Members” disclosed in page 10 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety.

## 4 Amendments to Section 3.1: Scheme Information

The information in relation to the “Funds under the Scheme” disclosed in page 12 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety and substituted with the following:

<b>Funds under the Scheme</b>	The following four (4) Funds are offered under this Scheme:		27
	<b>Core Funds</b>	Hong Leong PRS Growth Fund (HLPRSGF)	
		Hong Leong PRS Moderate Fund (HLPRSMF)	
		Hong Leong PRS Conservative Fund (HLPRSCF)	
	<b>Non-Core Fund</b>	Hong Leong PRS Asia Pacific Fund (HLPRSAPF)	

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### 5 Amendments to Section 3.5: Other Information

The information in relation to the “Deed” and the statement at the end of this section disclosed in pages 19 and 20 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 are hereby deleted in its entirety and substituted with the following:

<b>Deed</b>	The Scheme is governed by Deed dated 24 June 2022 and the 1 <sup>st</sup> supplemental deed dated 16 May 2023.
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**There are fees and charges involved and potential Members are advised to consider them before contributing to this Scheme.**

**Unit prices and distributions, if any, may go down as well as up.**

**Past performance of the Funds is not an indication of its future performance.**

### 6 Amendments to Section 3.6.1: General Risks

The information in relation to “Suspension of repurchase request risk” is hereby added immediately after “Risks associate with Default Option”:-

#### **Suspension of repurchase request risk**

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

### 7 Amendments to Section 3.6.2: Specific Risks

The information in relation to the “Liquidity Risk” disclosed in pages 25 to 26 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety and substituted with the following:

Liquidity risk comprises two broad risk types; Market Liquidity Risk and Funding Liquidity Risk. Market Liquidity Risk is defined as the ease with which a security can be sold at or near its fair value depending on the trading volume of that security in the market. If the Funds holds a large portfolio of securities that are less liquid, the securities may have to be sold at unfavourable prices and/or withdraw deposits placed with financial institutions prior to maturity which would expose the Funds to a higher degree of market liquidity risk. As such, any premature withdrawal of deposits where interest income may be forfeited or forced sale of the Funds’ investments to meet any shortfall will have adverse impact on the Funds’ NAV per Unit and subsequently the value of Members’ investment in the Funds.

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Funding Liquidity Risk is defined as the risk that the Funds will not be able to meet efficiently both the expected and unexpected current and future cash outflow. The risk primarily involves the Funds' inability to meet redemption requests without major distortion to the portfolio allocation.

To mitigate this risk, the Provider will employ prudent liquidity management such as cash flow and redemption monitoring to ensure that the Funds maintains reasonable levels of liquidity to meet any redemption request supplemented by a temporary defensive strategy should adverse conditions prevail. The Provider will apply Liquidity Risk Management tools inclusive of liquidity stress test to assess the Funds' viability to meet expected and unexpected redemptions under adverse scenarios. Additionally, the Provider will employ liquidity risk scoring. The liquidity risk scoring is part of the calculation of the risk profile of the Funds. It measures the liquidity profile of the investments and is able to trigger the Provider on the investments that have a worsened liquidity position.

The Provider may, in consultation with the Scheme Trustee, suspend dealing in Units under exceptional circumstances where there is sufficient reason to do so having regard to the interests of the Members in an effort to further curtail the liquidity risk experienced by the Funds. Exceptional circumstances can be considered where the market value or fair value of a material portion of the Fund's assets cannot be determined.

### 8 Amendments to Section 4.2: Funds Information

- (i) The information in relation to the "Risk Management Strategies" of Hong Leong PRS Growth Fund disclosed in pages 28 to 29 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety and substituted with the following:

<b>Risk Management Strategies</b>	The risk management strategies undertaken by the Provider include: <ul style="list-style-type: none"><li>• Adhering to the Fund's investment objective, investment strategies and investment limits and restrictions as stated in the Disclosure Document and/or Deed;</li><li>• Monitoring and evaluating the market and economic conditions;</li><li>• Employing an active asset allocation strategy depending on the market conditions and rebalancing the portfolio should the need arise;</li><li>• Practice prudent liquidity management to ensure that the Fund maintains reasonable levels of liquidity to meet any withdrawal requests; <i>(Please refer to 'Liquidity Risk' in section 3.6.2 of the Disclosure Document for more details).</i></li><li>• Regular review of the Fund's performance; and</li><li>• Escalating and reporting investment matters to the Investment Committee.</li></ul>
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- (ii) The information in relation to the “Risk Management Strategies” of Hong Leong PRS Moderate Fund disclosed in page 31 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety and substituted with the following:

<b>Risk Management Strategies</b>	<p>The risk management strategies undertaken by the Provider include:</p> <ul style="list-style-type: none"> <li>• Adhering to the Fund’s investment objective, investment strategies and investment limits and restrictions as stated in the Disclosure Document and/or Deed;</li> <li>• Monitoring and evaluating the market and economic conditions;</li> <li>• Employing an active asset allocation strategy depending on the market conditions and rebalancing the portfolio should the need arise;</li> <li>• Practice prudent liquidity management to ensure that the Fund maintains reasonable levels of liquidity to meet any withdrawal requests; <i>(Please refer to ‘Liquidity Risk’ in section 3.6.2 of the Disclosure Document for more details).</i></li> <li>• Regular review of the Fund’s performance; and</li> <li>• Escalating and reporting investment matters to the Investment Committee.</li> </ul>
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- (iii) The information in relation to the “Risk Management Strategies” of Hong Leong PRS Conservative Fund disclosed in page 34 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety and substituted with the following:

<b>Risk Management Strategies</b>	<p>The risk management strategies undertaken by the Provider include:</p> <ul style="list-style-type: none"> <li>• Adhering to the Fund’s investment objective, investment strategies and investment limits and restrictions as stated in the Disclosure Document and/or Deed;</li> <li>• Monitoring and evaluating the market and economic conditions;</li> <li>• Employing an active asset allocation strategy depending on the market conditions and rebalancing the portfolio should the need arise;</li> <li>• Practice prudent liquidity management to ensure that the Fund maintains reasonable levels of liquidity to meet any withdrawal requests; <i>(Please refer to ‘Liquidity Risk’ in section 3.6.2 of the Disclosure Document for more details).</i></li> <li>• Regular review of the Fund’s performance; and</li> <li>• Escalating and reporting investment matters to the Investment Committee.</li> </ul>
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- (iv) The information in relation to the “Investment limits/restrictions” of Hong Leong PRS Conservative Fund disclosed in pages 35 to 36 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety and substituted with the following:

<b>Investment limits/restrictions</b>	<p>The Fund shall be subject to the following limits/restrictions:</p> <ul style="list-style-type: none"> <li>• Investment in collective investment schemes is permitted in the following circumstances:             <ul style="list-style-type: none"> <li>(a) the Fund’s investment in a single collective investment scheme must not exceed 95% of its NAV from the launch of the Scheme;</li> <li>(b) upon reaching RM200 million NAV, the value of the Fund’s investment in a single collective investment scheme must not exceed 40% of its NAV;</li> <li>(c) the investment objective of the collective investment scheme must be similar to the Fund; and</li> <li>(d) the collective investment scheme shall not invest in embedded derivatives.</li> </ul> </li> <li>• The Fund’s investments in collective investment schemes must not exceed 25% of the units/shares in any collective investment schemes.</li> <li>• The Provider shall ensure that:             <ul style="list-style-type: none"> <li>(a) there is no cross-holding between the Fund and the collective investment schemes the Fund has invested in (“Target Funds”);</li> <li>(b) all initial charges of the Target Funds are waived;</li> <li>(c) the management fee must only be charged once, either at the Fund level or the Target Funds level; and</li> <li>(d) the use of derivatives by Target Funds are only for hedging purposes.</li> </ul> </li> <li>• The value of the Fund’s investments in money market instruments issued by any single issuer must not exceed 15% of the Fund’s NAV.</li> <li>• The value of the Fund’s placements in deposits with any single institution must not exceed 20% of the Fund’s NAV.</li> <li>• The value of the Fund’s investments in money market instruments issued by any group of companies must not exceed 20% of the Fund’s NAV.</li> <li>• The Fund’s investments in money market instruments must not exceed 10% of the instruments issued by any single issue.</li> </ul> <p><i>Note: The above limit does not apply to money</i></p>
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	<p><i>market instruments that do not have a pre-determined issue size.</i></p> <ul style="list-style-type: none"> <li>• The aggregate value of the Fund’s investments in money market instruments and deposits issued by or placed with (as the case may be) any single issuer/institution must not exceed 25% of the Fund’s NAV.</li> <li>• The Fund shall not invest in embedded derivatives.</li> <li>• The Fund’s investment in money market instruments must be:             <ul style="list-style-type: none"> <li>(i) at least long-term credit rating of investment grade (including gradation and subcategories); or</li> <li>(ii) at least top two short-term rating, by any Malaysian or global rating agency. However, money market instruments which are rated below the rating in (i) or (ii), or are unrated, may comprise up to 5% of the Fund’s NAV (“the 5% limit”). In the case where the 5% limit is exceeded, whether as a result of-                 <ul style="list-style-type: none"> <li>(i) a downgrade of rating from the rating listed in (i) or (ii);</li> <li>(ii) an increase in the aggregate value of money market instruments which are rated below the rating in (i) or (ii), or are unrated; or</li> <li>(iii) a decrease in the NAV of the Fund, the Provider must reduce such investments to comply with the 5% limit unless in the opinion of the Scheme Trustee, the disposal of such investments is not in the best interests of Members.</li> </ul> </li> </ul> </li> </ul>
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- (v) The information in relation to the “Risk Management Strategies” of Hong Leong PRS Asia Pacific Fund disclosed in page 37 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety and substituted with the following:

<b>Risk Management Strategies</b>	<p>The risk management strategies undertaken by the Provider include:</p> <ul style="list-style-type: none"> <li>• Adhering to the Fund’s investment objective, investment strategies and investment limits and restrictions as stated in the Disclosure Document and/or Deed;</li> <li>• Monitoring and evaluating the market and economic conditions;</li> <li>• Employing an active asset allocation strategy depending on the market conditions and rebalancing the portfolio should the need arise;</li> </ul>
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	<ul style="list-style-type: none"><li>• Practice prudent liquidity management to ensure that the Fund maintains reasonable levels of liquidity to meet any withdrawal requests; <i>(Please refer to 'Liquidity Risk' in section 3.6.2 of the Disclosure Document for more details).</i></li><li>• Regular review of the Fund's performance; and</li><li>• Escalating and reporting investment matters to the Investment Committee.</li></ul>
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### 9 Insertion of Section 4.3: Cross Trades

The information in relation to "Cross Trades" is hereby added immediately after Section 4.2 Funds Information:-

The Provider may undertake cross trades, i.e. sale and purchase transactions between funds or portfolios under the management of the Provider where the:

- (a) sale and purchase decisions are in the best interest of both funds or portfolios;
- (b) transactions are executed through a dealer or a financial institution on an arm's length and fair value basis;
- (c) reason for such transactions is documented before execution of the trades; and
- (d) cross trades are identified to both funds or portfolios in their respective periodic transaction report or statement.

Cross trades between:

- (a) employee of the Provider and the funds or portfolios; or
- (b) the Provider for its proprietary trading and its funds or portfolios, are prohibited.

### 10 Amendments to Section 5.5: Rebates and Soft Commissions

The information in relation to the "Rebates and Soft Commissions" disclosed in page 43 of the Disclosure Document for the Hong Leong Private Retirement Scheme - Conventional dated 20 December 2022 is hereby deleted in its entirety and substituted with the following:-

The Provider, Scheme Trustee or Scheme Trustee's delegate will not retain any rebate from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Funds. Accordingly, any rebate or shared commission will be directed to the account of the Funds.

Notwithstanding the aforesaid, the Provider may retain goods and services ("soft commissions") provided always that (i) the soft commissions bring direct benefit or advantage to the management of the Funds and may include research and advisory related services; (ii) any dealings with the broker or dealer is executed on terms which are the most favourable for the Funds and (iii) the availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and the Provider shall not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.

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### **11 Amendments to Section 6.3.4: Payment of Redemption Proceeds**

The information in relation to the "Payment of Redemption Proceeds" disclosed in page 49 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety and substituted with the following:-

Redemption proceeds will be paid within seven (7) Business Days upon receipt of the duly completed redemption request by the Provider.

For withdrawals due to death of a Member, the withdrawal request form will be submitted to the PPA. The withdrawal request will be processed and proceeds will be paid to the nominee, trustee, executor or administrator of the deceased Member within seven (7) Business Days upon receiving the authorisation from the PPA.

### **12 Amendments to Section 6.3.5: Suspension of Redemptions**

The information in relation to the "Suspension of Redemptions" disclosed in page 49 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety and substituted with the following:-

#### **Section 6.3.5: Suspension of Dealing in Units**

Under exceptional circumstances, having exhausted all other liquidity risk management tools\*, the Provider may in consultation with the Scheme Trustee and having considered the interest of the Members, suspend the dealing in Units where there is good and sufficient reason to do so. Exceptional circumstances can be considered where the market value or fair value of a material portion of the Fund's asset cannot be determined. The Provider will cease the suspension as soon as practicable after the exceptional circumstances have ceased, and in any event within twenty-one (21) days from the commencement of suspension.

\* Please refer to section 3.6.2. – Specific Risks – Liquidity risk for further details on liquidity risk management tools.

During the suspension period, the redemption requests from the Members will not be accepted and such redemption requests will only be processed on the next Business Day once the suspension is lifted.

The period of suspension may be extended if the Provider satisfies the Scheme Trustee that it is in the best interest of Members for the dealing in Units to remain suspended, subject to a weekly review by the Scheme Trustee.

The Scheme Trustee may suspend the dealing in Units, if the Scheme Trustee, on its own accord, considers that exceptional circumstances have been triggered. In such a case the Scheme Trustee must immediately call for a Members' meeting to decide on the next course of action.

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**13 Amendments to Section 6.7: Cooling-Off Right**

The information in relation to the “Cooling-Off Right” disclosed in page 50 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety and substituted with the following:-

The Cooling-off right provides a Member an opportunity to reverse an investment decision and is based on the conditions below.

The cooling-off period is for six (6) Business Days commencing from the date the Provider receives the application for purchase of Units.

A Cooling-off right is given to an individual investor who makes a contribution in a PRS for the first time. Once the right is exercised, the Cooling-off right is not available for subsequent contributions whether to the Scheme or any other scheme managed by the PRS Provider or to a PRS managed by another PRS provider.

The Cooling-off right is not available to:

- (a) a staff of the Provider; and
- (b) a person registered by a body approved by the SC to deal in PRS.

The refund for every Unit held by the Member pursuant to the exercise of a Cooling-off right shall be the sum of:

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

Upon receiving the authorisation of the PPA, the Provider will proceed to refund the Member within seven (7) Business Days.

**14 Deletion of Section 7.5: The Investment Committee**

The information in relation to the “The Investment Committee” disclosed in pages 52 to 53 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety.

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**15 Amendment to Section 7.7: The Key Personnel of the Investment Team**

The information in relation to the “Key Personnel of the Investment Team” disclosed in page 55 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety and substituted with the following:-

**For more information on the Provider and the designated person responsible for the fund management function of the Funds within the Scheme, please visit HLAM’s website at [www.hlam.com.my](http://www.hlam.com.my).**

**16 Amendment to Section 9.4: Permitted Expenses Payable by the Fund\***

The information in relation to the “Permitted Expenses Payable by the Fund” disclosed in pages 59 to 60 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety and substituted with the following:-

Only the expenses (or part thereof) which are directly related and necessary in operating and administering a Fund may be charged to the Fund. These would include (but are not limited to) the following:

- (a) commissions or fees paid to brokers or dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- (b) taxes and other duties charged on the Fund by the government and/or other authorities;
- (c) costs, fees and expenses properly incurred by the Auditor;
- (d) fees for the valuation of any investment of the Fund;
- (e) costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Provider and/or the Scheme Trustee;
- (f) costs, fees and expenses incurred for any meeting of the Members save where such meeting is convened for the benefit of the Provider and/or the Scheme Trustee;
- (g) costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund;
- (h) costs, fees and expenses incurred in engaging any specialist approved by the Scheme Trustee for investigating or evaluating any proposed investment of the Fund;
- (i) costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund;
- (j) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- (k) costs, fees and expenses incurred in the termination of the Fund or the removal of the Scheme Trustee or the Provider and the appointment of a new trustee or PRS provider;

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**Note:**

\* All fees and charges and/or sum set out in this Disclosure Document payable to the Provider/ Scheme Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the government from time to time. The Provider/ Scheme Trustee (where applicable) shall have the right to charge and recover from the Fund any applicable taxes and/or duties now or hereafter imposed by law or required to be paid in connection with the products or services provided by the Provider/ Scheme Trustee (where applicable).

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- (l) costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Scheme Trustee or the Provider by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are ordered by the court not to be reimbursed by the Fund);
- (m) costs, fees and expenses deemed by the Provider to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority;
- (n) remuneration and out of pocket expenses of the person(s) or members of a committee undertaking the oversight function of the Fund, unless the Provider decides otherwise;
- (o) costs, fees and charges payable to a foreign Scheme Trustee's delegate of the foreign assets or investments of the Funds duly appointed by the Scheme Trustee;
- (p) costs, fees and charges payable to the PPA;
- (q) fees, charges or costs and expenses relating to the preparation, printing, posting, registration and lodgement of documents and reports which the Provider and/or the Scheme Trustee may be obliged to prepare, print, post, register and/or lodge in relation to the Fund by virtue of any relevant law; and
- (r) any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred under sub-paragraphs (a) to (q) above.

### **17 Amendment to Section 9.7: Termination of the Fund**

The information in relation to the "Termination of the Fund" disclosed in pages 61 to 62 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety and substituted with the following:-

The Scheme shall be terminated if SC's authorization of the Scheme is withdrawn for any reason.

Notwithstanding anything contained in the Deed, the Scheme may only be terminated with the prior written approval of the SC. If the Scheme is terminated for any reason, all the Funds of the Scheme shall be terminated.

Any Fund of the Scheme shall be terminated if the SC's authorisation of the Fund is revoked for any reason.

Notwithstanding the above and subject to the provisions of the relevant laws, the Provider may, without having to obtain the prior approval of the Members, terminate the trust and wind up the Non-Core Fund if such termination:

- (a) is required by the relevant authorities; or
- (b) is in the best interests of Members and the Provider in consultation with the Scheme Trustee deems it to be uneconomical for the Provider to continue managing the Non-Core Fund.

Notwithstanding the aforesaid, if the Non-Core Fund is left with no Member, the Provider shall be entitled to terminate the Non-Core Fund.

Upon the termination of the Scheme and/or any of the Funds, the Provider shall give to each Member of Scheme or of the Fund a notice of such termination in accordance with the Relevant Laws; the Provider shall notify such Members in writing of the following options:

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- (1) to transfer the net proceeds to another PRS whether operated by the Provider or by another PRS provider upon such terms and conditions as shall be set out in the written notification; or
- (2) to choose any other alternative as may be proposed by the Provider and as shall not contravene any relevant law.

The Provider must also as soon as practicable after the termination of a Fund, publish a notice as described in Clause 14.5.1 of the Deed in accordance with the relevant laws.

The Provider or the Scheme Trustee must also as soon as practicable after the termination of a Fund:

- (a) notify the SC in such manner as may be prescribed by any relevant law; and
- (b) notify the Members in such manner as may be prescribed by any relevant law.

Where the Scheme or a Fund is being terminated, the Scheme Trustee shall arrange for a final review and audit of the final accounts of the Funds or the Fund, as the case may be, by the Auditor.

### **18 Amendment to Section 9.8: Members' Meeting**

The information in relation to the "Members' Meeting" disclosed in page 62 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety and substituted with the following:-

A Members' meeting may be called by the Provider, Scheme Trustee and/or Members. Any such meeting must be convened in accordance with the Deed and/or the Guidelines.

The Provider shall within twenty-one (21) days of receiving a direction from not less than fifty (50) or one-tenth (1/10) whichever is less, of all the Members of the Scheme or holding Units of a Fund of the Scheme, as the case may be, at the registered office of the Provider, summon a meeting of the Members of the Scheme or holding Units of the Fund, as the case may be, by:

- (a) sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to every Member of the Scheme or holding Units of the Fund, as the case may be, at the Member's last known address;
- (b) publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language newspaper published daily and another newspaper approved by the SC; and
- (c) specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting.

The Members of the Scheme or holding Units of a Fund, as the case may be, may direct the Provider to summon a meeting for any purpose including, without limitation, for the purpose of:

- (a) requiring the retirement or removal of the Scheme Trustee;
- (b) considering the most recent financial statements of the Scheme or the Fund;
- (c) giving to the Provider and/or the Scheme Trustee such directions as the meeting thinks proper;

**This 1<sup>st</sup> Supplemental Disclosure Document is supplementary to and has to be read in together with the Disclosure Document for the Hong Leong Private Retirement Scheme - Conventional dated 20 December 2022.**

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- (d) considering any matter in relation to the Scheme or the Fund, as the case may be; or
- (e) considering any matter in relation to the Deed;

provided always that the Provider shall not be obliged to summon such a meeting unless a request has been received from not less than fifty (50) or one-tenth (1/10) of all the Members of the Scheme or holding Units of the Fund, as the case may be.

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

If the meeting has been convened for the purpose of voting on a Special Resolution, the Members present in person or by proxy must hold in aggregate at least twenty-five per centum (25%) of the UIC at the time of the meeting.

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

### **19 Amendment to Section 10: Related-Party Transactions/Conflict of Interest**

The information in relation to the "Related-Party Transactions/Conflict of Interest" disclosed in page 65 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety and substituted with the following:-

The directors, Investment Committee members and employees of the Provider should avoid any conflict of interest arising, or if conflicts arise, should ensure that the Scheme is not disadvantaged by the transaction concerned.

All transactions carried out for or on behalf of the Scheme should be executed on terms that are best available to the Scheme and which are no less favourable than arm's length transactions between independent parties. All transactions with related parties should only be allowed when the transactions are carried out on arm's length terms, is consistent with best execution standards and is at commission rate no higher than customary institutional rates.

Investment Committee members and directors are required to make periodic declarations as to their personal interests. Where a conflict of interest arises due to the Investment Committee member or director holding a substantial shareholding or directorship in a company, the said Investment Committee member or director shall abstain from any discussion or decision making relating to the company.

The Provider has in place a policy which regulates its employees' securities dealings. All employees of the Provider are required to obtain prior written approval and declare their dealings periodically to ensure that there is no potential conflict of interest between the employees' dealings and the execution of the employees' duties to the Provider and Members.

**This 1<sup>st</sup> Supplemental Disclosure Document is supplementary to and has to be read in together with the Disclosure Document for the Hong Leong Private Retirement Scheme - Conventional dated 20 December 2022.**

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### RELATED-PARTY TRANSACTIONS

	<b>Name of Related Party and Nature of Relationship</b>	<b>Existing/Potential Related Party Transaction</b>
1.	Hong Leong Investment Bank Berhad - company associated with the Provider	<ul style="list-style-type: none"><li>Outsourcing party for administration and finance (financial group reporting) functions, legal, human resources, compliance, risk management, internal audit (advisory functions) and information technology (back office support) functions.</li></ul>
2.	Trustee of the Scheme	<ul style="list-style-type: none"><li>The Scheme has engaged CIMB Commerce Trustee Berhad as the Scheme trustee for the Scheme.</li></ul>

### 20 Amendment to Section 12.3: Deed

The information in relation to the “Deed” disclosed in page 70 of the Disclosure Document for the Hong Leong Private Retirement Scheme – Conventional dated 20 December 2022 is hereby deleted in its entirety and substituted with the following:-

The Scheme is governed by Deed dated 24 June 2022 and the 1<sup>st</sup> supplemental deed dated 16 May 2023.

This 1<sup>st</sup> Supplemental Disclosure Document is supplementary to and has to be read in together with the Disclosure Document for the Hong Leong Private Retirement Scheme - Conventional dated 20 December 2022.