

## THIRD SUPPLEMENTARY PROSPECTUS

# ABF Malaysia Bond Index Fund

*(an exchange-traded fund constituted in Malaysia on 12 July 2005 and established on 13 July 2005)*

**THIS THIRD SUPPLEMENTARY PROSPECTUS IS DATED 18 DECEMBER 2024 (“THIRD SUPPLEMENTARY PROSPECTUS”) AND MUST BE READ IN CONJUNCTION WITH THE PROSPECTUS DATED 6 AUGUST 2021, THE FIRST SUPPLEMENTARY PROSPECTUS DATED 31 MARCH 2022 AND THE SECOND SUPPLEMENTARY PROSPECTUS DATED 1 SEPTEMBER 2023**

The Securities Commission Malaysia has approved the listing of and quotation for units of the ABF Malaysia Bond Index Fund (“the Fund”) on the Main Market of Bursa Malaysia Securities Berhad and a copy of this Third Supplementary Prospectus has been registered by the Securities Commission Malaysia.

The approval, and registration of this Third Supplementary Prospectus, should not be taken to indicate that the Securities Commission Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in the Prospectus dated 6 August 2021, the First Supplementary Prospectus dated 31 March 2022, the Second Supplementary Prospectus dated 1 September 2023 and this Third Supplementary Prospectus dated 18 December 2024. The Securities Commission Malaysia has not, in any way, considered the merits of the securities being offered for investment.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of AmFunds Management Berhad, the management company responsible for the Fund and takes no responsibility for the contents of this Third Supplementary Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Third Supplementary Prospectus.

Admission to the Official List of Bursa Malaysia Securities Berhad is not to be taken as an indication of the merits of the offering, the Fund or of the Fund’s units.

### Third Supplementary Prospectus Date **18 December 2024**

The Manager

**AmFunds Management Berhad**

Company number: 198601005272 (154432-A)

The Trustee

**HSBC (Malaysia) Trustee Berhad**

Company number: 193701000084 (1281-T)



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**DISCLAIMER - INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF INVESTORS ARE UNABLE TO MAKE THEIR OWN EVALUATION, THEY ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS.**

**FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE “RISK FACTORS” COMMENCING ON PAGE 15 OF THE PROSPECTUS DATED 6 AUGUST 2021, PAGE 5 OF THE FIRST SUPPLEMENTARY PROSPECTUS DATED 31 MARCH 2022, PAGE 5 OF THE SECOND SUPPLEMENTARY PROSPECTUS DATED 1 SEPTEMBER 2023 AND PAGE 5 OF THIS THIRD SUPPLEMENTARY PROSPECTUS.**

**THIS IS A THIRD SUPPLEMENTARY PROSPECTUS WHICH HAS TO BE READ IN CONJUNCTION WITH THE PROSPECTUS DATED 6 AUGUST 2021, THE FIRST SUPPLEMENTARY PROSPECTUS DATED 31 MARCH 2022 AND THE SECOND SUPPLEMENTARY PROSPECTUS DATED 1 SEPTEMBER 2023**

**RESPONSIBILITY STATEMENTS**

The directors of AmFunds Management Berhad have seen and approved this Third Supplementary Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there is no false or misleading statement, or other facts which if omitted, would make any statement in this Third Supplementary Prospectus false or misleading.

**ADDITIONAL STATEMENTS**

Investors should note that they may seek recourse under the *Capital Markets and Services Act 2007* for breaches of securities laws and regulations including any statement in this Third Supplementary Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Third Supplementary Prospectus or the conduct of any other person in relation to the Fund.

**PERSONAL DATA**

As part of our day to day business, we collect your personal information when you apply to open an account with us, subscribe to any of our products or services or communicate with us. In return, we may use this information to provide you with our products or services, maintain our records or send you relevant information. We may use your personal information which includes information on any transactions conducted with us, for one or more of the following purposes, whether in Malaysia or otherwise:

- a. Assess your eligibility or suitability for our products which you had applied for and to verify your identity or financial standing through credit reference checks;
- b. To notify you of more and up to-date information such as improvements and new features to the existing products and services, development of new products, services and promotions which may be of interest to you;
- c. Manage and maintain your account(s) through regular updates, consolidation and improving the accuracy of our records. In this manner, we can respond to your enquiries, complaints and to generally resolve disputes quickly so that we can improve our business and your relationship with us;
- d. Conduct research for analytical purposes, data mining and analyse your transactions / use of products and services to better understand your current financial / investment position and future needs. We will also produce data, reports and statistics from time to time, however such information will be aggregated so that your identity will remain confidential;
- e. Comply with the requirements of any law and regulations binding on us such as conducting anti-money laundering checks, crime detection / prevention, prosecution, protection and security;
- f. Enforcement of our rights to recover any debt owing to us including transferring or assigning our rights, interests and obligations under any of your agreement with us;
- g. In the normal course of general business planning, oversight functions, strategy formulation and decision making within AmBank Group;
- h. To administer and develop the Manager's and/or the Manager's associated companies within the AmBank Group business relationship with you;
- i. Outsourcing of business and back-room operations within AmBank Group and/or other service providers; and
- j. Any other purpose(s) that is required or permitted by any law, regulations, standards, guidelines and/or relevant regulatory authorities including with the trustee of the Fund.

Investors are advised to read our latest or updated Privacy Notice (notice provided as required under the Personal Data Protection Act 2010) available on our website at [www.aminvest.com](http://www.aminvest.com). Our Privacy Notice may be revised from time to time and if there is or are any revision(s), it will be posted on our website and/or other means of communication deemed suitable by us. However, any revision(s) will be in compliance with the Personal Data Protection Act 2010.

**THIS IS A THIRD SUPPLEMENTARY PROSPECTUS WHICH HAS TO BE READ IN CONJUNCTION WITH THE PROSPECTUS DATED 6 AUGUST 2021, THE FIRST SUPPLEMENTARY PROSPECTUS DATED 31 MARCH 2022 AND THE SECOND SUPPLEMENTARY PROSPECTUS DATED 1 SEPTEMBER 2023**

**Unless otherwise provided in this Third Supplementary Prospectus, all the capitalised terms used herein shall have the same meanings as ascribed to them in the Prospectus dated 6 August 2021 as amended by the First Supplementary Prospectus dated 31 March 2022 and the Second Supplementary Prospectus dated 1 September 2023 (the “Prospectus”).**

## **EXPLANATORY NOTES**

This Third Supplementary Prospectus has been issued to inform investors of:

- (i) the update to the corporate information of the Manager;
- (ii) the updates to the distribution policy of the Fund;
- (iii) the updates to the risk factors specific to the Fund;
- (iv) the change in the composition of the board of directors of the Manager;
- (v) the change in the composition of the investment committee of the Fund; and
- (vi) other updates which are general in nature.

## **A. DEFINITIONS**

### **Pages vii to viii of the Prospectus**

The definition of “Deed” is hereby deleted in its entirety and replaced with the following:

Deed : The deed dated 12 July 2005 as amended by the supplemental deed dated 30 June 2006, the supplemental deed dated 20 June 2007, the second supplemental deed dated 24 February 2015, the third supplemental deed dated 16 November 2020, the fourth supplemental deed dated 1 August 2023 and the fifth supplemental deed dated 21 June 2024 entered into between the Manager, the Trustee and the Unit Holders constituting the Fund as amended by any other deed supplemental thereto

## **B. CORPORATE DIRECTORY**

### **Page xiv of the Prospectus**

The head office of the Manager is hereby deleted in its entirety and replaced with the following:

*Head Office:*

9<sup>th</sup> Floor, Bangunan AmBank Group  
No. 55, Jalan Raja Chulan  
50200 Kuala Lumpur  
Tel. No.: 03 – 2032 2888  
Fax No.: 03 – 2031 5210  
E-mail: enquiries@aminvest.com  
Website: www.aminvest.com

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**C. SECTION 1 – EXECUTIVE SUMMARY**

**Pages 4 to 5 of the Prospectus**

**Section 1.1 Summary Particulars of the Fund**

(i) The following new bullet point is hereby inserted to “Risk Factors Specific to the Fund” under “Summary of Risk Factors”:

- ◆ Distribution Risk

(ii) The information under “Income Distribution Policy” is hereby deleted in its entirety and replaced with the following:

Distribution Policy	<p><b>Frequency</b></p> <p>Semi-annually, if any.</p> <p><b>Mode of distribution</b></p> <p>(i) Via cheque;                  (ii) Via telegraphic transfer to your nominated bank account; or                  (iii) Such other method acceptable to the Manager or Trustee (as the case may be) as the Unit Holder may from time to time specify.</p> <p>Unless a written request to the contrary is received from Unit Holders prior thereto, the Manager may reinvest the distribution in further Units in accordance with the provisions of the Deed.</p> <p><i>Note: At the Manager's discretion, the Fund may distribute from its gain, Income and capital.</i></p>
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(iii) The following information is hereby inserted at the end of this section:

**Note: The Fund will not invest in derivatives and/or undertake repurchase agreements or securities lending activities until and unless the Manager has the risk management policy and procedures for such investments and/or activities in place.**

**Page 7 of the Prospectus**

**Section 1.3 Other Information**

The first paragraph of this section is hereby deleted in its entirety and replaced with the following:

The deed dated 12 July 2005 as amended by the supplemental deed dated 30 June 2006, the supplemental deed dated 20 June 2007, the second supplemental deed dated 24 February 2015, the third supplemental deed dated 16 November 2020, the fourth supplemental deed dated 1 August 2023 and the fifth supplemental deed dated 21 June 2024 entered into between the Manager, the Trustee and the Unit Holders.

**THIS IS A THIRD SUPPLEMENTARY PROSPECTUS WHICH HAS TO BE READ IN CONJUNCTION WITH THE PROSPECTUS DATED 6 AUGUST 2021, THE FIRST SUPPLEMENTARY PROSPECTUS DATED 31 MARCH 2022 AND THE SECOND SUPPLEMENTARY PROSPECTUS DATED 1 SEPTEMBER 2023**

**D. SECTION 2 – THE ABF MALAYSIA BOND INDEX FUND**

**Page 10 of the Prospectus**

**Section 2.3 Investment Scope and Restrictions**

The following information is hereby inserted under “Investment Scope”:

*Note: The Fund will not invest in derivatives and/or undertake repurchase agreements or securities lending activities until and unless the Manager has the risk management policy and procedures for such investments and/or activities in place.*

**Pages 13 to 14 of the Prospectus**

**Section 2.5 Income Distribution Policy**

(i) The information under this section is hereby deleted in its entirety and replaced with the following:

**2.5 Distribution Policy**

Income distribution, if any, will be on a semi-annual basis.

At the Manager’s discretion, the Fund may distribute from its gain, Income and capital. The rationale for distribution out of capital is to allow the Fund the ability to (i) distribute Income on a regular basis in accordance with the distribution policy of the Fund, or (ii) increase the amount of distributable Income to the Unit Holders after taking into consideration the investment objective of the Fund and the risk of distributing out of capital for the Fund.

Distribution out of the Fund’s capital has the effect of lowering the NAV of the Fund, may reduce part of the Unit Holders’ original investment and may also result in reduced future returns to Unit Holders. When a substantial amount of the original investment is being returned to the Unit Holders, it has a risk of eroding the capital of the Fund and may, over time, cause the NAV of the Fund to fall. The greater the risk of capital erosion that exists, the greater the likelihood that, due to capital erosion, the value of future returns would also be diminished.

The Manager shall compute the Income daily over the duration of the Fund.

Unit Holders may receive the distribution:

- (i) via cheque;
- (ii) via telegraphic transfer to the Unit Holders’ nominated bank account; or
- (iii) such other method acceptable to the Manager or Trustee (as the case may be) as the Unit Holder may from time to time specify.

Unless a written request to the contrary is received from Unit Holders prior thereto, the Manager may reinvest the distribution in further Units in accordance with the provisions of the Deed.

(ii) The following information is hereby inserted at the end of Section 2:

**Note: The Fund will not invest in derivatives and/or undertake repurchase agreements or securities lending activities until and unless the Manager has the risk management policy and procedures for such investments and/or activities in place.**

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**E. SECTION 3 – RISK FACTORS**

**Page 18 of the Prospectus**

**Section 3.1 Risk Factors Specific to the Fund**

The following information is hereby inserted to this section:

**3.1.20 Distribution Risk**

It should be noted that the distribution of Income is not guaranteed. Circumstances preventing the distribution of Income include, among others, insufficient realised gains or realised Income to enable Income distribution. The Fund may distribute from its realised gain, realised Income and capital.

Capital distributions represent a return or withdrawal of part of the amount of your original investment and/or capital gains attributable to the original investment and will result in a reduction in the NAV of the Fund and reduce the capital available for future investment and capital growth. Future capital growth may therefore be constrained.

**Page 19 of the Prospectus**

The following information is hereby inserted at the end of Section 3:

**Note: The Fund will not invest in derivatives and/or undertake repurchase agreements or securities lending activities until and unless the Manager has the risk management policy and procedures for such investments and/or activities in place.**

**F. SECTION 6 – ABOUT THE MANAGER**

**Page 34 of the Prospectus**

**Section 6.3 Directors and Key Personnel**

The profile of Tai Terk Lin (Independent) is hereby deleted in its entirety and replace with the following:

- **Arnold Lim Boon Lay** (Independent), aged 68, was appointed to the Board of Directors on 15 December 2023 as an Independent and Non-Executive Director. Mr Arnold Lim is also the Chairman of the investment committee of AFM and Amlslamic Funds Management Sdn Bhd. He holds a degree in Applied Science from Universiti Sains Malaysia and Master of Business Administration from the HAAS School of Business, University of California at Berkeley. He has substantial investment management experience having spent approximately thirty (30) years in the industry. Throughout Mr Arnold Lim's career, he has held various positions at asset management companies, including Pacific Mutual Fund Berhad, SBB Asset Management Sdn Bhd and CIMB-Principal Asset Management Berhad. While at CIMB-Principal Asset Management Berhad, initially as Head of Retail Equities and later as Chief Investment Officer; the company was awarded best fund house by Edge-Lipper for 2012.

**THE REMAINING PAGE IS INTENTIONALLY LEFT BLANK**

**Pages 35 to 36 of the Prospectus**

**Section 6.4 Investment Committee**

- (i) The third paragraph of this section is hereby deleted in its entirety and replaced with the following:

The investment committee comprises the following members:

- Arnold Lim Boon Lay (Chairman, Independent)
- Tracy Chen Wee Keng (Non-Independent)
- Goh Wee Peng (Non-Independent)

- (ii) The fourth paragraph of this section is hereby deleted in its entirety and replaced with the following:

The profiles of the Fund's investment committee are as follows:

▪ **Arnold Lim Boon Lay (Chairman)**

(Please refer to the above)

▪ **Tracy Chen Wee Keng**

Tracy Chen Wee Keng was appointed as the Chief Executive Officer of AmInvestment Bank Berhad on 28 October 2020 and is responsible for stewarding the investment bank's full range of integrated solutions and services including corporate finance, equity capital markets, debt and sukuk originations, private banking, fund management and stockbroking services. She is also a member of the investment committee of AFM and AmIslamic Funds Management Sdn Bhd. She has more than thirty (30) years' experience in the investment banking and financial services industry. Prior to joining the AmBank Group, she had served for almost two decades at CIMB Investment Bank where she held several senior roles in coverage and origination of investment banking business including the position of Senior Managing Director and Co-Head of Senior Bankers Group. She is regarded as one of the most experienced industry professionals, having advised on numerous high profile and innovative debt and equity transactions. She started her banking career in Ban Hin Lee Bank and Standard Chartered Bank where she gained extensive experience in corporate banking and cash management. She ventured into investment banking when she joined Affin Merchant Bank. She graduated from University Sains Malaysia with a Bachelor of Management (First Class Honours) and holds a Capital Markets Services Representative's Licence and is also a Chartered Banker, Asian Institute of Chartered Bankers. She is also a Council Member of the Malaysian Investment Banking Association and in this position, she actively engages with other participants in the investment banking industry.

▪ **Goh Wee Peng**

(Please refer to the above)

**G. SECTION 8 – SALIENT TERMS OF THE DEED**

**Page 43 of the Prospectus**

The second paragraph of this section is hereby deleted in its entirety and replaced with the following:

The Deed had been entered into between the Manager, the Trustee and the Unit Holders. The Fund is constituted by the Deed and regulated primarily by the CMSA and the ETF Guidelines. The terms and conditions of the Deed and of any deed supplemental thereto are binding on each Unit Holder as if he had:

- (a) been a party to and had executed the Deed;

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- (b) thereby covenanted for himself and for all such persons to observe and be bound by all the provisions thereof; and
- (c) thereby authorised the Trustee and the Manager respectively to do all such acts and things as the Deed may require.

**Page 43 of the Prospectus**

**Section 8.3 Rights and Limitations of the Unit Holders**

Item (i) of the second paragraph of this section is hereby deleted in its entirety and replaced with the following:

- (i) Receive Income and/or capital distribution (if any);

**THE REMAINING PAGE IS INTENTIONALLY LEFT BLANK**