

RHB GOLD AND GENERAL FUND

ANNUAL REPORT 2023

For the financial year ended 30 June 2023

GENERAL INFORMATION ABOUT THE FUND

Name, Category and Type

Fund Name - RHB Gold and General Fund

Fund Category - Feeder Fund

Fund Type - Growth Fund

Investment Objective, Policy and Strategy

Objective of the Fund

This Fund aims to achieve returns on investment mainly in securities of corporations (whether or not listed on any stock exchange, and in any part of the world) whose business (in any part of the world) is or is substantially in the mining or extraction of gold, silver or precious metals (e.g. platinum, palladium, rhodium etc.), bulk commodities (e.g. coal, iron ore, steel etc.), base metals of all kinds (e.g. copper, aluminium, nickel, zinc, lead, tin etc.), and other commodities (e.g. industrial minerals, titanium dioxide, borates etc.) and it includes the mining or extraction of oil, gas, coal and alternative energy or other commodities or other minerals.

Strategy

The Fund will invest at least 85% of its Net Asset Value in the Target Fund (United Gold and General Fund). The Target Fund, launched in June 1995 is a collective investment scheme domiciled in Singapore. Both UOBAM and the Target Fund are regulated by the Authority under the Securities and Futures Act (Chapter 289), Singapore. The Target Fund invests in companies involved in the mining and exploration of precious metals, energy and base metals.

The asset allocation of the Fund will be as follows:

At least 85% of - Investments in the units of the Target Fund
Net Asset Value

The balance of the Fund's Net Asset Value shall be invested in money market instruments that are dealt in or under the rules of an eligible market, and whose residual maturity does not exceed 12 months and short term Deposits, and in derivatives for hedging purposes.

Although the Fund is passively managed, the investments in the Fund will be rebalanced from time to time to meet sales and redemptions transactions and to enable the proper and efficient management of the Fund.

The Manager does not adopt a temporary defensive position for the Fund in response to adverse market, economic, political, or any other conditions as such defensive strategies are expected to be implemented at the Target Fund level when deemed necessary by the Management Company. The Manager does not adopt any temporary defensive positions as this will allow the Fund to best track the performance of the Target Fund. It also follows that if the Target Fund fails to adopt a successful defensive position in response to adverse market and economic conditions, there is a risk that the Fund will mirror the Target Fund's negative performance, if any.

Performance Benchmark

The performance of the Fund is benchmarked against the Gold and General Index which is a composite benchmark comprising 70% FTSE Gold Mines Index (RM) and 30% Euromoney Global Mining Index (RM) ("Gold and General Index").

Permitted Investments and Restrictions

This Fund may invest in one collective investment scheme i.e. UGGF, financial derivatives, liquid assets (including money market instruments and deposits with any financial institutions) and any other investments permitted by the Securities Commission from time to time.

In undertaking the Fund's investment, the Fund must not invest in a fund-of-funds, a feeder fund or any sub-fund of an umbrella scheme which is a fund-of-funds or a feeder fund.

Distribution Policy

Consistent with the Fund's objective to achieve long term* capital appreciation, distributions will therefore be of secondary importance. Distributions, if any, will be reinvested after deduction of taxation and expenses.

** Note: "long term" in this context refers to a period of between 5 - 7 years.*

Notification of Changes

In addition to the changes mentioned in the letter dated 14 February 2023, below are the remaining changes: -

General Amendments

- (a) All references to "Funds" and "Funds'", wherever they appear in the Master Prospectus, are hereby amended to "Fund" and "Fund's" respectively.
- (b) All references to "Master Prospectus" and "master prospectuses", wherever they appear in the Master Prospectus, are hereby amended to "Prospectus" and "prospectus" respectively.
- (c) All references to "Deeds", wherever they appear in the Master Prospectus, are hereby amended to "Deed".
- (d) All references to "Trustees", wherever they appear in the Master Prospectus, are hereby amended to "Trustee".

- (e) All references to “interim”, wherever they appear in the Master Prospectus, are hereby amended to “semi-annual”.
- (f) All references to “UGGF”, wherever they appear in the Master Prospectus, are hereby amended to “Target Fund”.
- (g) All references to “UGGF’s manager” and “manager of UGGF”, wherever they appear in the Master Prospectus, are hereby amended to “Management Company”.

“DEFINITIONS”

Authority	Monetary Authority of Singapore.
CMP Regulations	a) MAS Notice SFA 04-N12: Notice on the Sale of Investment Products issued by the Authority; and b) Securities and Futures (Capital Markets Products) Regulations 2018.
Code	Code on Collective Investment Schemes issued by the Authority, as amended from time to time. The latest version is available at www.mas.gov.sg .
Deposits	Unless stated otherwise in this prospectus, deposits refer to any deposits with a financial institution which are not embedded or linked to financial derivatives and where applicable these are current accounts, short term money market deposits and short term deposits with financial institutions.
Deposited Property	All of the assets for the time being held or deemed to be held upon the trusts of the deed of the Target Fund excluding any amount for the time being standing to the credit of the Target Fund or the Target Fund’s distribution account referred to in the Target Fund’s deed.
EPF-MIS	Employees Provident Fund - Members Investment Scheme.
Excluded Investment Products	Are defined: a) as such under MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products issued by the Authority; and b) as “prescribed capital markets products” under the Securities and Futures (Capital Markets Products) Regulations 2018.
FDIs	Financial derivative instruments.
financial institution(s)	a) If the institution is in Malaysia – (i) licensed bank or licensed investment bank as defined under the Financial Services Act 2013; or (ii) licensed Islamic bank as defined under the Islamic Financial Services Act 2013; or b) If the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.
Guidelines	Guidelines on Unit Trust Funds issued by the Securities Commission including all amendments and/or revision thereto issued by the Securities Commission and any other relevant guidelines issued by the Securities Commission.
IUTA	Institutional Unit Trust Scheme Advisers.
Latest Practicable Date	30 June 2022.
Manager	RHB Asset Management Sdn Bhd.
Management Company / UOBAM	UOB Asset Management Ltd, Singapore.
OTC	Over-the-counter.
Repurchase Price	The price (before deducting any repurchase charge) payable by the Manager to a Unit Holder pursuant to the repurchase of a Unit. The Repurchase Price shall be the Net Asset Value per Unit as at the next valuation point of the Fund’s relevant Business Day (“forward pricing”) after the complete repurchase request is received by the Manager. A repurchase charge, if any, will be computed separately based on the withdrawal amount/repurchase amount, net of bank charges (if any).
Selling Price	The price (before adding any sales charge) payable by an investor or a Unit Holder for the purchase of a Unit. The Selling Price shall be the Net Asset Value per Unit as at the next valuation point of the Fund’s relevant Business Day

	(“forward pricing”) after the application for Units is received by the Manager. A sales charge, where applicable, will be computed separately based on the investment amount/purchase amount, net of bank charges (if any).
Unit(s)	Unit(s) of the Fund and includes fractions of a unit of the Fund.
US Person	A US Person as defined in Section 7701 (a) (30) of the Internal Revenue Code and includes an individual who is a citizen or resident of the United States of America.

“SECTION 1 - FUND INFORMATION”, Section 1.1 Basic Information

1.1.5 Investor Profile

The Fund is suitable for investors who:

- (i) wish to participate in the potential benefits derived from investment in companies involved in the mining and exploration of precious metals, energy or base metals;
- (ii) wish to diversify their investment portfolio from traditional asset classes; and
- (iii) are willing to accept a higher risk in their investments to obtain potentially higher returns in the long term*.

*Note: “long term” in this context refers to a period between 5 – 7 years.

“SECTION 1 - FUND INFORMATION”, Section 1.1.9 Permitted Investments and Restrictions

Effective from 15 March 2023, Permitted Investments and Restrictions will be as follows:

The Fund may invest in one (1) collective investment scheme, i.e. the Target Fund, financial derivatives, money market instruments and Deposits with any financial institution and any other investments which may be permitted by the Securities Commission from time to time.

- (a) In undertaking the Fund’s investments, the Fund must not invest in a fund-of-funds, a feeder fund or any sub-fund of an umbrella scheme which is a fund-of-funds or a feeder fund.
- (b) The Fund may invest up to fifteen (15) per cent of its Net Asset Value or any other limit as may be prescribed by the Securities Commission from time to time, in the following permitted investments: (i) money market instruments that are dealt in or under the rules of an eligible market, and whose residual maturity does not exceed twelve (12) months; (ii) placement in short-term Deposits; and (iii) derivatives for the sole purpose of hedging arrangement.
- (c) The Fund’s investments in money market instruments must not exceed ten (10) per cent of the instruments issued by any single issuer, or any other limit as may be prescribed by the Securities Commission from time to time. This limit does not apply to money market instruments that do not have a pre-determined issue size.
- (d) The counterparty of an OTC financial derivative must be a financial institution with a minimum long-term credit rating of investment grade (including gradation and subcategories). Subject to the aggregate limit as stipulated in Schedule B of the Guidelines, the maximum exposure of the Fund to the counterparty must not exceed ten (10) per cent of the Fund’s Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time based on the maximum potential loss that may be incurred by the Fund if the counterparty defaults and not on the basis of the notional value of the OTC financial derivatives. The total exposure to a single counterparty is calculated by summing the exposure arising from all OTC financial derivatives transactions entered into with the same counterparty.
- (e) The Fund’s exposure to the underlying assets (vide the financial derivatives) must not exceed the investment limits and restrictions applicable to such underlying assets as stipulated in Schedule B of the Guidelines, or any other limit as may be prescribed by the Securities Commission from time to time.
- (f) The Fund’s global exposure from its financial derivatives positions must not exceed the Fund’s Net Asset Value at all times, or any other limit as may be prescribed by the Securities Commission from time to time.

The limits and restrictions mentioned herein must be complied with at all times based on the most up-to-date value of the Fund’s investments. The Manager must notify the Securities Commission, within seven (7) Business Days, of any breach of investment limits and restrictions with the steps taken to rectify and prevent such breach from recurring. However, any breach as a result of (a) appreciation or depreciation in value of the Fund’s investments; (b) repurchase of Units or payment made out of the Fund; (c) change in capital of a corporation in which the Fund have invested in; or (d) downgrade in or cessation of a credit rating, need not be reported to the Securities Commission but must be rectified as soon as practicable within three (3) months from the date of the breach. The three-month period may be extended if it is in the best interest of the Unit Holders and the Trustee’s consent is obtained. Such extension must be subject to at least a monthly review by the Trustee.

“SECTION 1 - FUND INFORMATION”, Section 1.1.10 Collective Investment Schemes

As the Fund is a feeder fund, it will invest predominantly in the Target Fund. The Manager will only make such investments if the collective investment schemes is registered or authorised or approved by the relevant regulatory authority in its home jurisdiction and which operates within the general investment principles of the Guidelines. The Fund's investments in collective investment schemes shall always be made subject to the restrictions stipulated in Section 1.1.9.

“SECTION 1 - FUND INFORMATION”, Section 1.1.11 Financial Derivatives

As the Target Fund is denominated in SGD, the Manager may trade in financial derivatives, which include but is not limited to forwards and swaps, for the purpose of hedging the Fund's exposure to foreign currency. The benefit of any upside of currency movement is limited as the primary interest is to protect the value of the portfolio. When participating in such instruments, the Manager will monitor the financial derivatives' valuation and credit ratings of the financial institutions as counterparty to the financial derivatives, where applicable and take appropriate actions to mitigate any risk associated with such financial derivatives. This may extend to unwinding of the financial derivatives in the event where there is a need to terminate current position due to reversal in market movement, redemptions in Units or upon downgrade of the credit ratings of the financial institutions. The Fund's net market exposure to financial derivatives will not at any time exceed its Net Asset Value. Commitment approach is used to calculate the Fund's net market exposure. It is calculated as the sum of the (a) absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements; (b) absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and (c) the values of cash collateral received pursuant to the reduction of exposure to counterparties of OTC financial derivatives. The Fund's investments in financial derivatives (if any) shall always be subject to the restrictions stipulated in Section 1.1.9.

“SECTION 1 - FUND INFORMATION”, Section 1.1.12 Liquid Assets

The Manager in structuring the Fund's portfolio will maintain a reasonable level of liquid assets for the purpose of meeting redemptions and to enable the proper and efficient management of the Fund.

“SECTION 1 - FUND INFORMATION”, after Section 1.1.12

Note: If the Fund is eligible to be invested via the EPF-MIS and you transfer your moneys from your EPF account to invest in the Fund, the investments made by the Fund as well as your investment in the Fund from your EPF account will be subject to the EPF's requirements. Please refer to the website at <http://www.kwsp.gov.my> for updated information.

“SECTION 1 - FUND INFORMATION”, Section 1.1.13 Information on the Target Fund

a) About the Target Fund

The Target Fund is an open-ended standalone unit trust constituted in Singapore with no fixed maturity which is denominated in SGD. It was established on 1 June 1995. The Management Company is UOB Asset Management Ltd, Singapore (“UOBAM”) and the trustee of the Target Fund is State Street Trust (SG) Limited. The custodian of the Target Fund is State Street Bank and Trust Company and/or such other custodian as may be appointed from time to time in respect of the Target Fund or any of its assets. The Target Fund is regulated by the Authority under the Securities and Futures Act (Chapter 289), Singapore.

b) About the Management Company

UOBAM is a wholly-owned subsidiary of United Overseas Bank Limited. Established in 1986, UOBAM has been managing collective investment schemes and discretionary funds in Singapore for over 35 years. UOBAM is licensed and regulated by the Authority. UOBAM has an extensive presence in Asia with regional business and investment offices in Malaysia, Thailand, Brunei, Indonesia, Taiwan, Japan and Vietnam. UOBAM has a joint venture with Ping An Fund Management Company Limited. In addition, it also has strategic alliances with Wellington Management and UTI International (Singapore) Private Limited.

Through its network of offices, UOBAM offers global investment management expertise to institutions, corporations and individuals, through customised portfolio management services and unit trusts. As at 31 July 2022, UOBAM manages 58 unit trusts in Singapore. UOBAM is one of the largest unit trust managers in Singapore in terms of assets under management.

UOBAM's investments team conducts independent and rigorous fundamental research within a proven investment process and framework. In equities, UOBAM's team has acquired specialist skills in investment in global markets and major global sectors. It combines a disciplined research effort that aims to identify and invest in high performing businesses at the right price, with a systematic model portfolio construction process, to diversify sources of alpha to achieve more consistent performance over time. In fixed income, UOBAM's coverage spans a wide spectrum comprising G10 government bonds, developed market corporate bonds, Asia sovereigns and corporates, emerging market bonds and Singapore fixed income. In addition to independent research to uncover relative value opportunities, UOBAM adopts diversified investment strategies including responsible investment practices combined with active risk management to generate sustainable total return for its portfolios.

“SECTION 1 - FUND INFORMATION”, Section 1.1.13 Information on the Target Fund, item (f) Authorised Investments of the Target Fund

1.2 For the purpose of paragraph 1.1,

a) “transferable securities” refer to:

i) shares or securities equivalent to shares; and

Guidance

Shares include units in a business trust.

ii) bonds or other securitised debt instruments,

that meet the requirements of paragraph 1.3 but do not include:

A) money market instruments; or

B) any security the title to which cannot be transferred or can be transferred only with the consent of a third party.

(b) “eligible deposits” refer to deposits with banks licensed under Singapore’s Banking Act (Cap. 19), finance companies licensed under Singapore’s Finance Companies Act (Cap. 108), merchant banks licensed under the Singapore’s Banking Act (Cap. 19) or any other deposit-taking institution licensed under an equivalent law in a foreign jurisdiction.

“SECTION 1 - FUND INFORMATION”, Guidance 1 and 2 are hereby inserted under Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund, Paragraph 1.1(b)

Guidance 1

Investments in transferable securities and money market instruments issued by a trust should be included in the single entity limit and group limit.

Guidance 2

The group of entities referred to in the group limit also applies to aggregate investments in, or exposures to, special purpose vehicles (SPVs) where the substance of the relationship between a sponsor and its SPV, determined in accordance with the Interpretation of Financial Reporting Standard 12, indicates that the SPV is controlled by that sponsor.

“SECTION 1 - FUND INFORMATION”, Guidance is hereby inserted under Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund, Paragraph 1.8

Guidance

For the purpose of paragraph 1.8(b), the Target Fund’s trustee may consider the Management Company’s internal rating methodology.

“SECTION 1 - FUND INFORMATION”, Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund

1.10 The Target Fund may invest up to 100% of its net asset value in another scheme only if the underlying scheme satisfies paragraph 1.4(a) or (b) of the Authorised Investments of the Target Fund under Section 1.1.13(f).

“SECTION 1 - FUND INFORMATION”, Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund

1.11 Investments in an underlying scheme which does not satisfy paragraph 1.4 (a) or (b) of the Authorised Investments of the Target Fund under Section 1.1.13(f) but satisfies:

a) paragraph 1.4 (c) of the Authorised Investments of the Target Fund under Section 1.1.13(f) and is invested in permissible investments or real estate should not exceed 10% of the Target Fund’s net asset value; or

Guidance

For example, investments in a real estate investment trust which do not satisfy paragraph 1.4(a) or (b) of the Authorised Investments of the Target Fund under Section 1.1.13(f) but satisfy the requirements in paragraph 1.3(a) to (d) of the Authorised Investments of the Target Fund under Section 1.1.13(f) should not exceed 10% of the Target Fund’s net asset value.

- b) paragraph 1.4 (c) of the Authorised Investments of the Target Fund under Section 1.1.13(f) and is invested directly in commodities is subject to the limit in paragraph 1.12.

Guidance

Investments in commodity-backed exchange traded fund which satisfies the requirements in paragraph 1.3(a) to (d) of the Authorised Investments of the Target Fund under Section 1.1.13(f) will be subject to the limit in paragraph 1.12.

“SECTION 1 - FUND INFORMATION”, Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund

1.12 Investments in:

- a) shares or securities equivalent to shares that are not listed for quotation or quoted, and have not been approved for listing for quotation or quotation, on an organised exchange;
- b) debt securities which are undated, secured by physical commodities, listed for quotation and traded on an organised exchange; and
- c) underlying schemes which do not satisfy paragraph 1.4 (a) or (b) of the Authorised Investments of the Target Fund under Section 1.1.13(f) but satisfy paragraph 1.4 (c) of the Authorised Investments of the Target Fund under Section 1.1.13(f) and are invested directly in commodities,

are subject to an aggregate limit of 10% of the Target Fund’s net asset value.

“SECTION 1 - FUND INFORMATION”, Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund

2.2 The Management Company should calculate the global exposure of the Target Fund based on the commitment approach under the Code.

“SECTION 1 - FUND INFORMATION”, Guidance is hereby inserted under Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund, Paragraph 2.8

Guidance

Strategies which seek to offset the beta (market risk) but do not aim to offset the specific risks linked to the underlying investment and keep the alpha would not comply with the requirements in paragraph 2.8. Such strategies would include market neutral or long/short strategies.

“SECTION 1 - FUND INFORMATION”, Section 1.1.12 Information on United Gold and General Fund, item (f) Investment limits and restrictions of UGGF.

The paragraph under above section is deleted.

“SECTION 1 - FUND INFORMATION”, Section 1.1.12 Information on United Gold and General Fund, item (f) Investment limits and restrictions of UGGF, before section 3.1.

The paragraph under above section is deleted.

“SECTION 1 - FUND INFORMATION”, Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund

3.2 In the case where the underlying assets are:

- a) transferable securities, money market instruments, eligible deposits or units in other schemes, the limits in the paragraphs under item 1 stated herein, except for the concentration limits, apply; and
- b) indices, paragraph 3.2(a) applies to each constituent of the index,

on a portfolio basis.

“SECTION 1 - FUND INFORMATION”, Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund

3.8 A transaction in financial derivatives which gives rise, or may give rise, to a future commitment on behalf of the Target Fund should be covered as follows:

- a) in the case of financial derivatives which will, or may at the option of the Target Fund, be cash settled, the Target Fund should hold, at all times, liquid assets sufficient to cover the exposure;

Guidance 1

The term “exposure” refers to any transaction in financial derivatives that may give rise to a future commitment by the Target Fund to make contractually required payments. As such, exposure would include, among others, any cash settlement of contracts, margin calls, and interest payments.

Guidance 2

Liquid assets refer to cash or permissible investments that can satisfy the requirements in chapter 1.2 (i) of the Code. The quantity of such liquid assets held as cover should however be determined after the application of appropriate safeguards such as haircuts.

- b) in the case of financial derivatives which will, or may at the option of the counterparty, require physical delivery of the underlying assets, the Target Fund should hold the underlying assets in sufficient quantities to meet the delivery obligation at all times. If the Management Company deems the underlying assets to be sufficiently liquid, the Target Fund may hold as coverage other liquid assets in sufficient quantities, provided that such alternative assets may be readily converted into the underlying asset at any time to meet the delivery obligation.

“SECTION 1 - FUND INFORMATION”, Guidance is hereby inserted under Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund, Paragraph 4.5(g)

Guidance

Paragraph 4.5(g) does not prevent the trustee of the Target Fund or the Target Fund from receiving collaterals from a counterparty which may be subject to resolution stay regulations.

“SECTION 1 - FUND INFORMATION”, Guidance 1 and 2 are hereby inserted under Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund, Paragraph 4.5(i)

Guidance 1

Security interests include, among others, charges, pledges or hypothecations.

Guidance 2

For the purpose of paragraph 4.5(i), the collateral cannot be sold or given as security interests except where it is required by applicable laws and regulatory requirements in the jurisdiction where the collateral is held.

“SECTION 1 - FUND INFORMATION”, Guidance is hereby inserted under Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund, Paragraph 4.10

Guidance

A marked-to-market shortfall on day T should be rectified by the receipt of additional collateral by T+1 business days. For the purpose of this guidance, business days should be based on those of the counterparty's.

“SECTION 1 - FUND INFORMATION”, Guidance is hereby inserted under Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund, Paragraph 4.16

Guidance

The exposures from margins held with brokers need not be included if the margins are maintained in trust accounts.

“SECTION 1 - FUND INFORMATION”, Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund

3.2 The Target Fund may carry out the following activities for the sole purpose of EPM:

- a) securities lending; and
b) repurchase transactions,

provided that the total value of securities subject to all the securities lending and repurchase transactions entered into by the Target Fund does not exceed 50% of the net asset value of the Target Fund at any time, or as may be allowed under the CMP Regulations for the purpose of classifying the units of the Target Fund as Excluded Investment Products.

“SECTION 1 - FUND INFORMATION”, Guidance is hereby inserted under Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund, Paragraph 5.6

Guidance

A marked-to-market shortfall on day T should be rectified by the receipt of additional collateral by T+1 business days. For the purpose of this guidance, business days should be based on those of the counterparty's.

“SECTION 1 - FUND INFORMATION”, Guidance is hereby inserted under Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund, Paragraph 5.7(c)

Guidance

Eligible collateral provided should take into consideration exchange rate or market risks inherent to the eligible collateral.

“SECTION 1 - FUND INFORMATION”, Guidance is hereby inserted under Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund, Paragraph 5.7(h)

Guidance

Paragraph 5.7(h) does not prevent the trustee of the Target Fund or the Target Fund from receiving collaterals from a counterparty which may be subject to resolution stay regulations.

“SECTION 1 - FUND INFORMATION”, Guidance 1 and 2 are hereby inserted under Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund, Paragraph 5.7(j)

Guidance 1

Security interests include, among others, charges, pledges or hypothecations.

Guidance 2

For the purpose of paragraph 5.7(j), the collateral cannot be sold or given as security interests except where it is required by applicable laws and regulatory requirements in the jurisdiction where the collateral is held.

“SECTION 1 - FUND INFORMATION”, Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund

6.2 The Target Fund may only borrow from banks licensed under Singapore’s Banking Act (Cap. 19), finance companies licensed under Singapore’s Finance Companies Act (Cap. 108), merchant banks licensed under the Banking Act (Cap. 19) or any other deposit taking institution licensed under an equivalent law in a foreign jurisdiction.

“SECTION 1 - FUND INFORMATION”, Guidance is hereby inserted under Section 1.1.13 Information on the Target Fund, item (g) Investment limits and restrictions of the Target Fund, Paragraph 6.4

Guidance

Credit balances (e.g. cash) may not be offset against borrowings when determining the percentage of borrowings outstanding.

“SECTION 1 - FUND INFORMATION”, Section 1.1.13 Information on the Target Fund, item (h) Additional Restrictions Applicable to the Target Fund

For the purpose of investment in respect of the Target Fund, the Target Fund has confirmed the following:

- 1) The aggregate value of the Target Fund’s investments in:
 - (a) transferable securities that are not traded or dealt in or under the rules of an eligible market; and
 - (b) collective investment schemes that do not comply with paragraphs 6.11(a), (b) and (c) of the Guidelines; must not exceed 15% of the Target Fund’s net asset value, subject to a maximum limit of 10% of the Target Fund’s net asset value in a single issuer or single collective investment scheme, as the case may be.
- 2) The value of the Target Fund’s investments in ordinary shares issued by any single issuer must not exceed 10% of the Target Fund’s net asset value.
- 3) The value of the Target Fund’s investments in:
 - (a) transferable securities; and
 - (b) money market instruments,issued by any single issuer must not exceed 15% of the Target Fund’s net asset value (“single issuer limit”). In determining the single issuer limit, the value of the Target Fund’s investments in instruments in paragraph (1) issued by the same issuer must be included in the calculation.
- 4) The single issuer limit in paragraph (3) may be raised to 35% of the Target Fund’s net asset value if the issuing entity is, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long term credit rating of investment grade (including gradation and subcategories) by an international rating agency.
- 5) The value of the Target Fund’s placement in deposits with any single financial institution must not exceed 20% of the Target Fund’s net asset value.
- 6) The aggregate value of the Target Fund’s investments in, or exposure to, a single issuer through:
 - (a) transferable securities;
 - (b) money market instruments;
 - (c) deposits;
 - (d) underlying assets of derivatives; and
 - (e) counterparty exposure arising from the use of OTC derivatives,must not exceed 25% of the Target Fund’s net asset value (“single issuer aggregate limit”). In determining the single issuer aggregate limit, the value of the Target Fund’s investments in instruments in paragraph (1) issued by the same issuer must be included in the calculation.
- 7) Where the single issuer limit is increased to 35% of the Target Fund’s net asset value pursuant to paragraph (4), the single issuer aggregate limit in paragraph (6) may be raised, subject to the group limit in paragraph (10) not exceeding 35% of the Target Fund’s net asset value.

- 8) The value of the Target Fund's investments in units or shares of a collective investment scheme must not exceed 20% of the Target Fund's net asset value, provided that the collective investment scheme complies with paragraphs 6.11(a), (b) or (c) of the Guidelines, excluding a collective investment scheme that invests in real estate.
- 9) The value of the Target Fund's investments in units or shares of a collective investment scheme that invests in real estate pursuant to paragraph 6.11(c) of the Guidelines must not exceed 15% of the Target Fund's net asset value.
- 10) The value of the Target Fund's investments in transferable securities and money market instruments issued by any group of companies must not exceed 20% of the Target Fund's net asset value ("group limit"). In determining the group limit, the value of the Target Fund's investments in instruments in paragraph (1) issued by the issuers within the same group of companies must be included in the calculation.
- 11) The Target Fund's investments in shares or securities equivalent to shares must not exceed 10% of the shares or securities equivalent to shares, as the case may be, issued by a single issuer.
- 12) The Target Fund's investments in debt securities must not exceed 20% of the debt securities issued by a single issuer. This limit may be disregarded at the time of acquisition if at that time of acquisition, the gross amount of debt securities in issue cannot be determined.
- 13) The Target Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issuer. This limit does not apply to money market instruments that do not have a pre-determined issue size.
- 14) The Target Fund's investments in collective investment schemes must not exceed 25% of the units or shares in the collective investment scheme.
- 15) The Target Fund must not use leverage for investments.
- 16) The Target Fund may participate in securities lending and repurchase transactions for the purpose of efficient portfolio management only.
- 17) The counterparty of OTC derivatives must be a financial institution with a minimum long term credit rating of investment grade (including gradation and subcategories) and must not exceed 10% of the Target Fund's net asset value.
- 18) The global exposure of the Target Fund's investment in derivatives is calculated using the commitment approach methodology.
- 19) Where the Target Fund invested in a collective investment scheme operated by the same Management Company or its related corporation, the Management Company must ensure that:
 - (a) there is no cross-holding between the Target Fund and the collective investment scheme;
 - (b) all initial charges on the collective investment scheme is waived; and
 - (c) the management fee must only be charged once, either at the Target Fund or the collective investment scheme.
- 20) For the purpose of borrowing:
 - (a) the Target Fund may borrow cash for the purpose of meeting repurchase requests for units and for short-term bridging requirements only;
 - (b) the Target Fund's cash borrowing is only on a temporary basis and that the borrowings are not persistent;
 - (c) the aggregate borrowings of the Target Fund should not exceed 10% of the Target Fund's net asset value at the time the borrowing is incurred;
 - (d) the borrowing period should not exceed one month; and
 - (e) the Target Fund only borrows from financial institutions.
- 21) In the case where there is a passive breach of the investment restrictions applicable to the Target Fund, the Target Fund must rectify the breach within 3 months from the date of the breach. The 3-month period may be extended if the trustee of the Target Fund or the internal compliance of the Management Company is of the view that it is in the best interests of the unit holders of the Target Fund.
- 22) The Target Fund's investments in other collective investment schemes generally complied with the investment limits provided above.

“SECTION 1 - FUND INFORMATION”, Section 1.1.13 Information on the Target Fund, item (i) Risk management procedures of the Management Company relating to the use of FDIs

- a) The Target Fund may use or invest in FDIs for the purposes of hedging existing positions in a portfolio, for efficient portfolio management or a combination of both purposes. As the units of the Target Fund are Excluded Investment Product, the Target Fund is subject to the provisions on FDIs as set out in the CMP Regulations for the purpose of classifying the units of the Target Fund as Excluded Investment Products.
- (b) The Management Company will use the commitment approach to determine the Target Fund's global exposure to FDIs by converting its positions in the FDIs into equivalent positions in the FDIs' underlying assets. Such exposure will be

calculated in accordance with the provisions of the Code. The Management Company will ensure that the global exposure of the Target Fund to FDIs or embedded FDIs will not exceed 100% of the Target Fund's net asset value.

- (c) Below is a description of risk management and compliance procedures and controls adopted by the Management Company:
- (i) The Management Company will implement various procedures and controls to manage the risk of the Target Fund's assets. The Management Company's decision to invest in any particular security or instrument on behalf of the Target Fund will be based on the Management Company's judgment of the benefit of such transactions to the Target Fund and will be consistent with the Target Fund's investment objective in terms of risk and return.
 - (ii) Execution of trades. Prior to each trade, the Management Company will ensure that the intended trade will comply with the stated investment objective, focus, approach and restrictions (if any) of the Target Fund, and that best execution and fair allocation of trades are done. The Management Company's governance and compliance department will conduct periodic checks to ensure compliance with the investment objective, focus, approach and restrictions (if any) of the Target Fund. If there is any non-compliance, the Management Company's governance and compliance department is empowered to instruct the relevant officers to rectify the same. Any non-compliance will be reported to higher management and monitored for rectification.
 - (iii) Liquidity. If there are unexpectedly large realisations of units in the Target Fund, it is possible that the assets of the Target Fund may be forced to be liquidated at below their fair and expected value. Also, under certain market conditions such as during volatile markets, crisis situations or trading disruptions, it may be difficult or impossible to liquidate or rebalance positions. While the Management Company will ensure that a sufficient portion of the Target Fund will be in liquid assets such as cash and cash-equivalents to meet expected realisations, net of new subscriptions, the Management Company may in certain situations employ liquidity management tools such as limiting or suspending realisations in accordance with Section 1.1.13(j) & (k) below. If such tools are employed, the investors of the Target Fund may not be able to realise their units during any suspension period or the realisation of their units or payment of the realisation proceeds for their units may be delayed.
 - (iv) Counterparty exposure. The Target Fund may have credit exposure to counterparties by virtue of positions in FDIs and other financial instruments held by the Target Fund. To the extent that a counterparty defaults on its obligations and the Target Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its assets and in its income stream and incur extra costs associated with the exercise of its financial rights. Subject to the provisions of the Code, the Management Company will restrict their dealings with counterparties to entities that have a minimum long-term issuer credit rating of above BB+ by Standard and Poor's, an individual rating of above C or viability ratings of above BBB by Fitch, a baseline credit assessment of above A3 by Moody's, or an equivalent rating from any other reputable rating agency. If any approved counterparty fails this criterion subsequently, the Management Company will take steps to unwind the Target Fund's position with that counterparty as soon as practicable.
 - (v) Volatility. To the extent that the Target Fund has exposure to FDIs that allow a larger amount of exposure to a security for no or a smaller initial payment than the case where the investment is made directly into the underlying security, the value of the Target Fund's assets will have a higher degree of volatility. The Target Fund may use FDIs for hedging purposes to reduce the overall volatility of the value of its assets. At the same time, the Management Company will ensure that the global exposure of the Target Fund to FDIs and embedded FDIs will not exceed the net asset value of the Target Fund, as stated in paragraph (b) above.
 - (vi) Valuation. The Target Fund may have exposure to over-the-counter FDIs that are difficult to value accurately, particularly if there are complex positions involved. The Management Company will ensure that independent means of verifying the fair value of such instruments are available, and will conduct such verification at an appropriate frequency.
- (d) The Management Company will ensure that the risk management and compliance procedures and controls adopted by them are adequate and have been implemented and that they have the necessary expertise to control and manage the risks relating to the use of FDIs. The Management Company may modify the risk management and compliance procedures and controls as they deem fit and in the interests of the Target Fund but subject always to the requirements under the Code.
- (e) The Target Fund may net its over-the-counter derivative positions with a counterparty through bilateral contracts for novation or other bilateral agreements with the counterparty, provided that such netting arrangements satisfy the relevant conditions described in the Code.
- (f) Where the Target Fund uses or invests in FDIs on commodities, all such transactions shall be settled in cash at all times.

“SECTION 1 - FUND INFORMATION”, Section 1.1.13 Information on the Target Fund, item (j) Realisation Policy of the Target Fund

Units of the Target Fund may be realised by the unit holders of the Target Fund, before 3.00 p.m. Singapore time on any dealing day of the Target Fund, subject to the minimum realisation amount of 100 units per request. Units of the Target Fund will be realised at the realisation price applicable to that dealing day.

The realisation price per unit of the Target Fund shall be ascertained by:

- (i) determining the net asset value of the Target Fund as at the valuation point of the Target Fund in relation to the dealing day on which the realisation request is received and accepted of the proportion of the depositary property of the Target Fund represented by one unit of the Target Fund; and
- (ii) truncating the resultant amount to 3 decimal places.

The Management Company may use another method of determination or adjustment or number of decimal places with the approval of the Target Fund’s trustee. Any adjustments shall be retained by the Target Fund.

A realisation fee may be deducted from the gross realisation proceeds, and the net realisation proceeds will be paid to the investors of the Target Fund.

Unless otherwise stated in the Target Fund’s prospectus, the Management Company will generally only permit realisation of units in the Target Fund currency, and the Management Company will quote the realisation price in the Target Fund currency. If the Management Company decides to permit realisations in any other currency in the future, the Management Company will quote the realisation price in such currency at the applicable rate of exchange determined by the Management Company.

In relation to Class A SGD Acc Units of the Target Fund

The Management Company may, upon request, effect payment of realisation monies in currencies other than SGD, at the applicable rate of exchange determined by the Management Company, prior to payment to the unit holders of the Target Fund. Any costs incurred in and risks associated with effecting such currency exchange will be borne by the unit holders of the Target Fund.

Currently, the Management Company will permit realisations in SGD and USD, and the Management Company will quote the realisation price in SGD and its equivalent in USD at the applicable rate of exchange.

The net realisation proceeds will be paid to the investors of the Target Fund within seven (7) business days after the relevant dealing day or such other period as may be permitted by the Authority. There may be delays in cases where the realisation of units has been limited or suspended in accordance with the Target Fund’s prospectus.

Limitation on realisation

The Management Company may, with the approval of the Target Fund’s trustee and subject to the provisions of the deed of the Target Fund, limit the total number of units of the Target Fund to be realised by the unit holders of the Target Fund or cancelled by the Management Company on any dealing day to ten per cent (10%) of the total number of units of the Target Fund then in issue. Such limitation will be applied proportionately to all unit holders of the Target Fund who have validly requested realisations on such dealing day and to the Management Company.

Any units of the Target Fund which are not realised or cancelled will be realised or cancelled on the next dealing day, provided that if the number of units of the Target Fund to be realised or cancelled still exceeds such limit, the Management Company may continue to carry forward the realisation / cancellation requests in the same manner, until such time as the total number of units of the Target Fund to be realised or cancelled on any dealing day falls within such limit.

If realisation requests are so carried forward and the unit holders of the Target Fund are affected, the Management Company will notify the said unit holders within seven (7) business days. Realisation requests which have been carried forward from an earlier dealing day shall be dealt with in priority to later requests.

Compulsory realisations

The Management Company may compulsorily realise the unit holders’ holding of units of the Target Fund in the circumstances as set out in paragraph 20.2 of the Target Fund’s prospectus. The Target Fund’s prospectus is available at [https://asiaapi.morningstar.com/ODSHelperWS/default.aspx?Id=F0HKG062UL&DocType=PR&ClientId=sgplt&MarketId=CU\\$\\$\\$\\$SGP&LanguageId=EN](https://asiaapi.morningstar.com/ODSHelperWS/default.aspx?Id=F0HKG062UL&DocType=PR&ClientId=sgplt&MarketId=CU$$$$SGP&LanguageId=EN).

“SECTION 1 - FUND INFORMATION”, Section 1.1.13 Information on the Target Fund, item (k) Suspension of Dealings by the Target Fund

- 1) Subject to the provisions of the Code, the Management Company may, at any time with the approval of the trustee of the Target Fund, suspend the issue, realisation, exchange and cancellation of units in the Target Fund during:
 - (i) any period when the stock exchange or any recognised exchange or OTC market on which any investment comprised in the Deposited Property is quoted is closed otherwise than for ordinary holidays;
 - (ii) any period when dealings on such exchange or market are restricted or suspended;

- (iii) any period when, in the Target Fund's trustee's and the Management Company's opinion, there exists any state of affairs as a result of which withdrawal of deposits held for the account of the Target Fund or the realisation of any material proportion of the investments for the time being comprised in the Deposited Property cannot be effected normally or without seriously prejudicing the interest of the unit holders of the Target Fund as a whole;
 - (iv) any period during which there is, in the Target Fund's trustee's and the Management Company's opinion, any breakdown in the means of communication normally employed in determining the value of any of the investments or the amount of cash for the time being comprised in the Deposited Property or the amount of any liability of the Target Fund's trustee for account of the Target Fund or when for any other reason the value of any such investment or the amount of any such cash or liability cannot be promptly and accurately ascertained (including any period when the fair value of a material portion of the Authorised Investments cannot be determined);
 - (v) any 48 hour period (or such longer period as the Target Fund's trustee and the Management Company may agree) prior to the date of any meeting of unit holders of the Target Fund (or any adjourned meeting thereof);
 - (vi) any period when dealing of units of the Target Fund is suspended pursuant to any order or direction of the Authority;
 - (vii) any period when the Target Fund's trustee's or the Management Company business operations in relation to the operation of the Target Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolutions, civil unrest, strikes or acts of God; or
 - (viii) such circumstances as may be required under the provisions of the Code.
- 2) The Management Company may, with the approval of the Target Fund's trustee, suspend the right of the unit holders of the Target Fund to require the realisation of units in the Target Fund during any period when the issue of units in the Target Fund is suspended pursuant to the paragraph above and payment for any units of the Target Fund realised before the commencement of any such suspension which has not been paid before the commencement thereof may, if Target Fund's trustee and the Management Company agree, be deferred until immediately after the end of such suspension.
- 3) Subject to the provisions of the Code and the Target Fund's deed, the Management Company and/or the Target Fund's trustee may from time to time also suspend the issue and/or realisation of units in the Target Fund in certain situations as set out in the Target Fund's deed.
- 4) Subject to the provisions of the Code, any such suspension will take effect upon the Management Company's written declaration to the Target Fund's trustee (or vice versa, as the case may be) and will end as soon as practicable when the condition giving rise to the suspension no longer exists and no other condition under which suspension is authorised under this section or the applicable provisions of the Target Fund's deed exists upon the Management Company (or, as the case may be, the Target Fund's trustee's) written declaration of the same and in any event, within such period as may be prescribed by the Code. The period of suspension may be extended in accordance with the Code. Any payment for any units in the Target Fund realised before the commencement of any such suspension which has not been paid before the commencement thereof may, if the Management Company and the Target Fund's trustee agree, be deferred until immediately after the end of such suspension.

“SECTION 2 - RISK FACTORS”, Section 2.1 General Risks of Investing in the Fund, General Risks

c) Liquidity Risk

The ability of the Fund to honour requests for redemption in a timely manner is subject to the Fund's holding of adequate liquid assets and /or its ability to borrow on a temporary basis as permitted by the relevant laws. Should there be inadequate liquid assets held, the Fund may not be able to honour requests for redemption or to pay Unit Holders' redemption proceeds in a timely manner and may be forced to dispose the Fund's investments at a discount to its fair value, thus lowering the value of the Fund's investments and subsequently the value of the Unit Holders' investments.

“SECTION 2 - RISK FACTORS”, Section 2.1 General Risks of Investing in the Fund, General Risks

d) Loan / Financing Risk

Investors should assess the inherent risk of investing with borrowed money which would include the following:

- i) the ability to service the loan repayments and the effect of increase in interest rates on the loan repayments; and
- ii) (in a case where Units are used as collateral to the loan) the ability to provide additional collateral should the Unit prices of the Fund fall beyond a certain level,

failing which, the investors' Units may be sold off to realise the proceeds towards settlement of the outstanding loan or financing facility taken.

[Please see Unit Trust Loan Financing Risk Disclosure Statement in the application form]

SECTION 2 - RISK FACTORS”, Section 2.1 General Risks of Investing in the Fund, Investment Risks

a) Counterparty Risk

The Fund’s placements of cash or Deposits with financial institutions are subject to the risk of the counterparty. Counterparty risk refers to the possibility that the financial institutions where the cash or Deposits placements are made will not be able to make timely payments of interest and/or principal repayment on demand or prior to the maturity date of the placements. This may lead to a default in the payment of principal and/or interest and ultimately a reduction in the value of the Fund.

“SECTION 2 - RISK FACTORS”, Section 2.1 General Risks of Investing in the Fund, Investment Risks

d) Credit / Default Risk

This risk refers to the creditworthiness of the issuer of money market instruments and/or the financial institution where the Deposits are placed with and its expected ability to repay the debt. Default happens when the issuer of money market instruments and/or the financial institution where the Deposits are placed with is unable to make coupon/profit payments and/or repay/pay the principal and/or interest in a timely manner thus lowering the value of the Fund’s investments and subsequently the value of Unit Holders’ investments.

e) 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 money market instruments will generally decrease and vice versa. Meanwhile, money market instruments with longer maturities and lower coupon/profit rates are more sensitive to interest rate changes. Interest rate movements affect the returns of Deposits as well. Interest rates offered by the financial institutions will fluctuate according to the overnight rate policy determined by Bank Negara Malaysia and this has direct correlation with the Fund’s investment in Deposits. In the event of rising interest rates, the Fund’s future reinvestment in Deposits will benefit from the higher interest rate and in the event of falling interest rates, the Fund’s future investment in Deposits will be reinvested at lower interest rates which in turn will reduce the Fund’s potential returns. This risk will be mitigated via the management of the duration structure of the fixed income portfolio.

“SECTION 2 - RISK FACTORS”, Section 2.1 General Risks of Investing in the Fund, Investment Risks

f) Financial Derivatives Risk

If the Fund participates in financial derivatives for hedging purposes, it will be subject to risks associated with such investments. As hedging activities are meant to protect the Fund from currency volatility, the benefit of any upside of currency movement is limited. Investments in financial derivatives may require the deposit of initial margin and additional deposit of margin on short notice if the market moves against the investment positions. If no provision is made for the required margin within the prescribed time, the Fund’s investments may be liquidated at a loss. Therefore, it is essential that such investments in financial derivatives are monitored closely. If and when the Manager participates or invests in financial derivatives, the Manager will monitor the financial derivatives’ positions for the Fund. In addition, participation or investment in financial derivatives is also subject to the possibility that the counterparty to the financial derivatives may fail or default in its obligations under the financial derivatives contract. Such failure or default by the counterparty whether in the payment of principal and/or interest or any gain from the financial derivatives transaction may ultimately lead to a reduction in the value of the Fund.

“SECTION 3 - VALUATION OF ASSETS”

The Fund must be valued at least once every Business Day. As certain foreign markets in which the Fund may invest in have different time zones from that of Malaysia, the valuation of the Fund for a Business Day will be conducted by 5.00 p.m. (or such other time as may be determined by the Manager from time to time) on the following day on which the Manager is open for business.

Accordingly, the price of the Fund for a particular Business Day will not be published online in the Manager’s website on the next day but will instead be published the next following day (i.e. the price will be two (2) days old). This will be specifically indicated in the Manager’s website.

Illustration

When markets are closed for trading on 7 September 2022 (Wednesday), the valuation date will be the next day on which the Manager is open for business, that is, 8 September 2022 (Thursday). Thus, the publication date for the prices as at 7 September 2022 (Wednesday) will be on 9 September 2022 (Friday) on the Manager’s website.

Investors may obtain the most current computed price by contacting the Manager directly or visiting the Manager’s website, www.rhbgroup.com [please refer to Section 5.6 (g) (Availability of Information on Investment)].

In undertaking any of the Fund’s investments, the Manager will ensure that all the assets of the Fund will be valued appropriately at fair value and at all times in compliance with the relevant laws (including approved accounting standards).

Accordingly, where applicable:

- (i) Collective investment schemes which are quoted on an approved exchange shall be valued daily based on the last done market price. When investing in unlisted collective investment schemes, the value shall be determined by reference to the last published repurchase price of a unit of that unlisted collective investment scheme.
- (ii) Financial derivatives positions will be “marked to market” at the close of each trading day.
- (iii) Deposits placed with financial institutions will be valued each day by reference to the principal value of such investments and the interests accrued thereon for the relevant period.
- (iv) Money market instruments that are held for collecting contractual cash flow purpose i.e. commercial papers and money market placements will be measured on an ongoing basis at amortised cost. The risk of using amortised cost accounting is the mismatch between the fair value and book value of a money market instruments. The Manager will monitor closely and consider prompt action to discontinue the use of amortise cost method and adopt the fair value as the valuation for money market instrument in the event the variance is above 3%.
- (v) Foreign exchange translation of foreign investments into RM for a particular Business Day is determined based on the bid rate quoted by Bloomberg or Reuters at 4.00 p.m. (United Kingdom time) or such other time as may be prescribed from time to time by the relevant laws.
- (vi) Any other investments as may be held by the Fund will be valued based on fair value as determined in good faith by the Manager, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

“SECTION 4 - FEES, CHARGES AND EXPENSES”, Section 4.1 Charges, (a) Sales Charge, Illustration

Illustration:

Say, an investor makes an investment of RM10,000.00 at the Selling Price of RM0.3399 and the distributor levies a sales charge of 5.50%, the investor will pay a total of RM10,550.00 as follows: -

Investment amount	= RM10,000.00
Add:	
sales charge levied by the distributor @ 5.50%	= RM 550.00
Total amount paid by the investor	= RM10,550.00

The investor will be allotted with 29,420.42 Units calculated as follows:

Units allotted is calculated as	RM10,000.00	= 29,420.42 Units**
	RM0.3399*	

* Unit price is rounded to the nearest 4 decimal places.

** Units computed are rounded to the nearest 2 decimal places.

An investor can expect differing sales charge to be levied when buying Units of the Fund from the various distribution channels and within each distribution channel, subject to the maximum sales charge of the Fund stipulated above. This is due to the different level of services provided by each distribution channel and/or the size of the investment undertaken.

From the sales charge received from investors, the Manager pays no more than the entire sales charge as mentioned above as selling commission to its distributors for the Fund.

“SECTION 4 - FEES, CHARGES AND EXPENSES”, Section 4.1 Charges, (c) Other Charges

- (i) Switching of Units

Units can only be switched to other unit trust funds under the management of the Manager that are of the same currency units and that allow switching.

A switching fee¹ of RM25.00 will be imposed and deducted from the redemption amount of the Units to be switched for a switch between funds that impose a similar sales charge or a switch to a fund that impose a lower sales charge. Unit Holders switching to a fund that imposes a higher sales charge will pay the difference in sales charge which is deductible from the redemption amount of the Units to be switched.

The Manager however, reserves the right to vary this switching fee or to vary the terms of the switching facility.

For switching into non-money market fund, units of the fund to be switched into shall be purchased at the net asset value per unit as at the next valuation point of the fund's relevant business day after the form of request to switch is received by the Manager ("forward pricing"). For switching into money market fund, units shall be purchased at the net asset value of the fund as at the next valuation point of the fund's relevant business day after money is received by the switch in fund.

Illustration:

If a Unit Holder switches 10,000 Units at the Repurchase Price of RM0.3399 and wishes to invest in another unit trust fund under the management of the Manager at the net asset value per unit of RM0.5499 (where both funds have the sales charge of 5.50%).

Proceeds from switch (RHB Gold and General Fund) (10,000 Units x RM 0.3399)	RM3,399.00
Less: switching fee of RM25.00	RM (25.00)
Net proceeds from switch	<u>RM3,374.00</u>
Proceeds from RHB Gold and General Fund invested in another unit trust fund under the management of the Manager	<u>RM3,374.00</u> RM0.5499
	= 6,135.66 Units**

** Units computed are rounded to the nearest 2 decimal places.

“SECTION 4 - FEES, CHARGES AND EXPENSES”, Section 4.1 Charges, (c) Other Charges

(ii) Transfer of Units

The Manager charges a transfer fee¹ of RM5.00 for each transfer.

“SECTION 4 - FEES, CHARGES AND EXPENSES”, Section 4.1 Charges, (c) Other Charges

(iii) Any bank charges imposed by the relevant financial institutions will be borne by the Unit Holders.

“SECTION 4 - FEES, CHARGES AND EXPENSES”, Section 4.2 Fees and Expenses, (a) Management Fee¹

The Manager is entitled to a management fee of one point eight per cent (1.80%) per annum of the Net Asset Value, calculated on a daily basis, before deducting the management fee and Trustee's fee for that particular day.

A portion of this fee is paid to the Management Company. As the Fund invests in units of the Target Fund, any management fee charged to the Target Fund by the Management Company in relation to the Fund's investments in the Target Fund will be fully refunded to the Fund. Accordingly, there is **NO DOUBLE CHARGING OF MANAGEMENT FEE**. This means that the Unit Holder will incur **ONLY ONE MANAGEMENT FEE and ONLY AT THE FUND'S LEVEL**, i.e. one point eight per cent (1.80%) per annum of the Net Asset Value.

Illustration: Calculation of management fee

Assuming that the Net Asset Value (before deducting the management fee and Trustee's fee) for a particular day is RM105,000,000.00 and the management fee is at the rate of one point eight per cent (1.80%) per annum, the calculation of the management fee of the Fund for that particular day is as follows:

$\frac{\text{RM } 105,000,000.00 \times 1.80\%}{365 \text{ days } *}$	= RM 5,178.08 per day
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*Note: In the event of a leap year, the annual management fee will be divided by 366 days.

“SECTION 4 - FEES, CHARGES AND EXPENSES”, Section 4.2 Fees and Expenses, (b) Trustee's Fee¹

The Trustee is entitled to a Trustee's fee of up to zero point zero eight per cent (0.08%) per annum of the Net Asset Value, calculated on a daily basis, but subject to a minimum of RM18,000 per annum (excluding foreign custodian fees and charges) before deducting the management fee and Trustee's fee for that particular day.

Illustration: Calculation of Trustee's fee

Assuming that the Net Asset Value (before deducting the management fee and Trustee's fee) for a particular day is RM105,000,000.00 and the Trustee's fee is at the rate of zero point zero eight per cent (0.08%) per annum, the calculation of the Trustee's fee of the Fund for that particular day is as follows:

$$\frac{\text{RM } 105,000,000.00 \times 0.08\%^1}{365 \text{ days}^*}$$

$$= \text{RM } 230.14 \text{ per day}$$

*Note: In the event of a leap year, the annual Trustee's fee will be divided by 366 days.

Note: ¹All fees and charges payable to the Manager and the 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.

“SECTION 4 - FEES, CHARGES AND EXPENSES”, Section 4.2 Fees and Expenses, (c) Other Indirect Fees

As the Fund will invest in the units of the Target Fund, there are also other fees indirectly incurred by the Fund at the Target Fund level such as registrar and transfer agent fee, trustee fee, audit fee, custodian fee (payable to the auditors and custodian of the Target Fund), transaction costs and other fees and charges which are incurred at the Target Fund level. Details are as follows:

Registrar and transfer agent fee	0.125% per annum, subject always to a minimum of SGD2,500.00 per annum.
Trustee's fee	Currently not more than 0.05% per annum; maximum 0.25% per annum (subject always to a minimum of SGD15,000.00 per annum or such other lower sum as may be agreed from time to time between the trustee of the Target Fund and the Management Company. In this connection, the Management Company and the trustee of the Target Fund have presently agreed to a minimum of SGD5,000.00 per annum).
Audit fee ¹ , custodian fee ² , transaction cost ³ and other fees and charges ⁴	Subject to agreement with the relevant parties. Each of the fees and charges may amount to or exceed 0.1% per annum, depending on the proportion that it bears to the net asset value of the Target Fund.

¹ The audit fee of the Target Fund is subject to agreement with the auditors of the Target Fund for the relevant financial year. Based on the audited accounts and the average net asset value of the Target Fund for the financial year ended 30 June 2021, the audit fee did not amount to or exceed 0.1% in that financial year.

² The custodian fee of the Target Fund is subject to agreement with the custodian of the Target Fund. Based on the audited accounts and the average net asset value of the Target Fund for the financial year ended 30 June 2021, the custodian fee did not amount to 0.1% in that financial year.

³ Transaction costs include all expenses relating to the purchase and sale of financial instruments. Based on the audited accounts and the average net asset value of the Target Fund for the financial year ended 30 June 2021, the transaction costs amounted to 0.15%.

⁴ Other fees and charges may include transaction fees payable to the custodian (the amount of which will depend on the number of transactions carried out and the place at which such transactions are effected), goods and services tax, printing costs, legal and professional fees, bank charges and other out-of-pocket expenses. Based on the audited accounts and the average net asset value of the Target Fund for the financial year ended 30 June 2021, the aggregate of the other fees and charges amounted to 0.14%.

As such, Unit Holders are indirectly bearing these expenses charged at the Target Fund level.

Investors should note the above higher fees arising from the layered investment structure of the Fund.

“SECTION 4 - FEES, CHARGES AND EXPENSES”, Section 4.2 Fees and Expenses, (d) Other Expenses Directly Related to the Fund

In administering the Fund, there are expenses directly related to the Fund. These expenses include the cost of the auditors' fees and other relevant professional fees, foreign custodial charges, cost of distribution of semi-annual and annual reports, tax certificates, reinvestment statements and other notices to Unit Holders. In addition, there are expenses that are directly related and necessary to the business of the Fund as set out in the Deed, such as commissions paid to brokers, other transaction costs and taxes, if any, that are also paid out of the Fund.

All expenses pursuant to the issuance of this prospectus will be borne by the Manager.

“SECTION 4 - FEES, CHARGES AND EXPENSES”, Section 4.3 Reduction or Waiver of Fees and Charges

The Manager may, for any reason at any time, waive or reduce the amount of its management fee or other charges directly payable by the Unit Holder and/or investor in respect of the Fund, either generally (for all Unit Holders) or specifically (for any particular Unit Holder) and for any period or periods of time at its absolute discretion.

“SECTION 5 - TRANSACTION INFORMATION”

5.2 Valuation of Units

The valuation of Units is based on the Net Asset Value and is calculated at the end of a Business Day. In line with the single pricing policy, the Selling Price and the Repurchase Price will be the Net Asset Value per Unit.

Calculation of Net Asset Value per Unit

The valuation of the Fund is conducted at least once every Business Day. Net Asset Value is determined by deducting the value of all the Fund’s liabilities from the value of all the Fund’s assets, at the valuation point.

The valuation of the Fund is in the local currency, i.e. RM. The Net Asset Value per Unit will be the Net Asset Value divided by the total number of Units in circulation, at that valuation point.

Illustration of computation of the Net Asset Value per Unit for a particular Business Day

	RM
Gross Net Asset Value before income and expenses	194,455,842.10
Add: income	50,000
Less: expenses	(10,000)
Gross NAV before management fee & Trustee’s fee	194,495,842.10
<u>Less adjustments:</u>	
Management fee (1.80%) per annum	(9,591.58)
Trustee’s fee (0.08%) per annum	(426.29)
Total Net Asset Value (RM)	194,485,824.23
Assumption of Units in circulation at valuation point	572,211,000
Net Asset Value per Unit	0.3399*

*Net Asset Value per Unit is rounded to 4 decimal places.

“SECTION 5 - TRANSACTION INFORMATION”, Section 5.3 Computation of Selling Price

The Selling Price shall be the Net Asset Value per Unit as at the next valuation point of the Fund’s relevant Business Day after the application for Units is received by the Manager (“forward pricing”). A sales charge will be computed separately based on the investment amount / purchase amount, net of bank charges (if any).

Illustration:

Say, an investor makes an investment of RM10,000.00 at the Selling Price of RM0.3399 (which is the Net Asset Value per Unit as at the next valuation point) and the distributor levies a sales charge of 5.50%, the investor will pay a total of RM10,550.00 as follows:

Investment amount	= RM 10,000.00
Add:	
Sales charge levied by the distributor @ 5.50%	= RM 550.00
Total amount paid by the investor	<u>= RM 10,550.00</u>

The investor will be allotted with	
Units calculated as follows:	<u>= RM 10,000.00</u>
	RM 0.3399*
	= 29,420.42 Units**

* Unit price is rounded to the nearest 4 decimal places.

** Units computed are rounded to the nearest 2 decimal places.

“SECTION 5 - TRANSACTION INFORMATION”, Section 5.4 Computation of Repurchase Price

The Repurchase Price shall be the Net Asset Value per Unit as at the next valuation point of the Fund’s relevant Business Day after the application for repurchase is received by the Manager (“forward pricing”). The Manager will not impose any repurchase charge on the redemption amount.

Illustration:

Say, an investor redeems 29,420.42 Units at the Repurchase Price of RM0.3399 (which is the Net Asset Value per Unit as at the next valuation point), he would receive proceeds of redemption of RM10,000.00 as follows:

Redemption amount (29,420.42 Units x RM0.3399*)	= RM 10,000.00
Less:	
Repurchase charge	= RM (NIL)
Net amount payable to the Unit Holder	<u>= RM 10,000.00</u>

* Unit price is rounded to the nearest 4 decimal places.

“SECTION 5 - TRANSACTION INFORMATION”, Section 5.6 Transaction Details

(b) Cooling-off Period

The cooling-off right refers to the right of an individual investor to obtain a refund of his investment if he so requests within the cooling-off period. The cooling-off right is only given to an individual investor, other than those listed below, who is investing in any unit trust funds managed by the Manager for the first time:

- (i) a staff of the Manager; and/or
- (ii) a person registered with a body approved by the Securities Commission to deal in unit trust funds.

The refund to the investor pursuant to the exercise of investor’s cooling-off right must be as follows:

- a) the Net Asset Value per Unit at the point of exercise of the cooling-off right (“market price”), if the Net Asset Value per Unit on the day the Units were purchased (“original price”) is higher than the market price; or
- b) the original price, if the market price is higher than the original price.

If the market price is higher than the original price paid by the investor, the Manager may agree to pay the investor the excess amount, provided that such amount is not paid out of the Fund or the assets of the Fund.

The Manager must also refund the sales charge originally imposed on the day the Units were purchased.

The cooling-off period shall be within six (6) Business Days which shall be effective from the date of receipt of the application by the Manager. Where applicable, if you have invested via the EPF-MIS, the cooling-off period shall be subject to EPF’s terms and conditions.

The cooling-off right allows investors the opportunity to reverse an investment decision which could have been unduly influenced by certain external elements or factors.

Withdrawal proceeds will only be paid to the investors once the Manager has received cleared funds for the original investment. For investors who paid by cheque, the refund will be made upon clearance of the cheque. The Manager shall refund the investor in cash within seven (7) Business Days of receiving the cooling-off notice. Where applicable, if you have invested via the EPF-MIS, the refund will be credited back into your EPF accounts.

“SECTION 5 - TRANSACTION INFORMATION”, Section 5.6 Transaction Details

(c) Where Units can be Purchased or Redeemed

Units can be purchased or redeemed at the Manager’s registered/principal office or any of its branch offices or from any of its participating IUTAs and any other authorised distributors or channels as the Manager may decide from time to time. For further information, please call us at 03-9205 8000 at any time during our office hours: Mondays through Fridays from 9.00 a.m. – 5.00 p.m. Alternatively, investors may e-mail their enquiries to rhbam@rhbgroup.com.

Please refer to our Directory of Outlets for Purchase and Sale of Units at the end of this prospectus.

Application forms, redemption forms and this prospectus are also available from these distributors.

“SECTION 5 - TRANSACTION INFORMATION”, Section 5.6 Transaction Details

e) How to Transfer Ownership of Units

Unit Holders may transfer their holdings of Units to another investor by forwarding the completed form of transfer to the Manager’s registered/principal office or any of its participating IUTAs and any other authorised distributors before their respective cut-off times.

If the transferee is a new investor, he must also forward the following:

- 1) completed application form; and
- 2) relevant supporting documents such as a photocopy of his identity card (for an individual applicant) or certified true copies of the certificate of incorporation or registration, memorandum and articles of association or constitution or by-laws, and relevant resolutions (for a corporate applicant).

However, the Manager may refuse to register any partial transfer of Units if the registration would result in the transferor or the transferee holding less than one hundred (100) Units or such other lower quantity as the Manager may from time to time decide. The Manager may also refuse an entry of transfer during the fourteen (14) days preceding an income distribution date.

“SECTION 5 - TRANSACTION INFORMATION”, Section 5.6 Transaction Details

(f) Unclaimed Monies

All money payable to a Unit Holder may be paid by electronic payments or cheques. In the event any of the cheques is not presented for payment by the date which falls six (6) months from the date of the cheque, the Unit Holder may request the Manager to arrange for the monies to be paid by a replacement cheque to the Unit Holder. However, after the lapse of one (1) year from the date of the cheque or any moneys payable to Unit Holders which remain unclaimed for such period of time, the Manager shall file and pay the unrepresented payments to the Registrar of Unclaimed Moneys in accordance with the requirements of the Unclaimed Moneys Act 1965. Thereafter, the Unit Holders are to claim such monies from the Registrar of Unclaimed Moneys.

“SECTION 5 - TRANSACTION INFORMATION”, Section 5.6 Transaction Details

(g) Availability of Information on Investment

After purchasing Units of the Fund, the value of the investment can be monitored easily as the Unit price is published online daily at the Manager’s website, www.rhbgroup.com.

Unit Holders will receive an unaudited semi-annual report and an audited annual report of the Fund from the Manager within two (2) months after the end of the financial period/financial year end that the report covers. The Manager may also issue updates on the performance of the Fund either quarterly or semi-annually, or as and when appropriate.

Customers or investors may call us at 03-9205 8000 at any time during our office hours: Mondays through Fridays from 9.00 a.m. – 5.00 p.m. Alternatively, investors may e-mail their enquiries to rhbam@rhbgroup.com.

Investors may also refer to FIMM for any queries/concerns regarding their investments in unit trust funds.

“SECTION 5 - TRANSACTION INFORMATION”, Section 5.6 Transaction Details

(h) Dealing Hours

The Manager’s dealing hours are from 9:00 a.m. to 4:00 p.m. (Malaysia time) on any Business Day or such later time as the Manager may determine provided always that complete applications for the Fund are received before the next valuation point. The Manager may also vary the dealing hours as it may deem appropriate. Investors will be notified on the change of dealing hours via email or notification published on the Manager’s website.

“SECTION 6 - SALIENT TERMS OF THE DEED”, Section 6.1 Rights and Liabilities of Unit Holders

6.1.1 Recognition of Unit Holders

An investor is only recognised as a Unit Holder when his / her name appears in the register as a Unit Holder of the Units in which he/she has invested.

Accordingly, only investors whose applications for Units are successfully processed are recognised as Unit Holders.

“SECTION 6 - SALIENT TERMS OF THE DEED”, Section 6.1 Rights and Liabilities of Unit Holders

6.1.2 Rights of Unit Holders

Unit Holders shall have the right, amongst others, to the following:

- (a) to receive distributions of the Fund (if any), participate in any increase in the value of the Units and to enjoy such other rights and privileges as set out in the Deed;
- (b) to call for Unit Holders’ meetings, and to vote for the removal of the Trustee or the Manager through a special resolution as provided for in the Deed;
- (c) to exercise the cooling-off right, if applicable; and
- (d) to receive annual reports, semi-annual reports or any other reports of the Fund.

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

Note: If your investments are made through an IUTA which adopts the nominee system of ownership, you would not be deemed to be a Unit Holder under the Deed and as a result, you may not exercise all the rights ordinarily conferred to a Unit Holder (e.g. the right to call for Unit Holders’ meetings and the right to vote at a Unit Holders’ meeting). Accordingly, we will only recognise the IUTA as a Unit Holder of the Fund and the IUTA shall be entitled to all the rights conferred to it under the Deed.

“SECTION 6 - SALIENT TERMS OF THE DEED”, Section 6.1 Rights and Liabilities of Unit Holders

6.1.3 Liabilities of Unit Holders

The liability of Unit Holders shall be limited to their investment participation in the Fund. Unit Holders shall not be under any obligation to indemnify the Manager and/or the Trustee in the event that the liabilities incurred by the Manager and/or the Trustee in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of the assets of the Fund, and any right of indemnity of the Manager and/or the Trustee shall be limited to recourse to the Fund.

“SECTION 6 - SALIENT TERMS OF THE DEED”, Section 6.2 Fees, Charges, and Expenses Permitted by the Deed

6.2.1 Sales Charge and Repurchase Charge

The Manager may impose a sales charge and a repurchase charge for the sale and repurchase of Units according to such rates and conditions disclosed in this prospectus. The maximum charges allowable by the Deed and the actual charges paid by Unit Holders are as follows:

Sales Charge	Maximum Allowable Rate	10.00% of the net investment amount / purchase amount.
	Actual Rate Charged	Up to 5.50% of the investment amount / purchase amount, net of bank charges (if any).
Repurchase Charge	Maximum Allowable Rate	5.00% of the net withdrawal amount / repurchase proceeds.
	Actual Rate Charged	Nil.

“SECTION 6 - SALIENT TERMS OF THE DEED”, Section 6.2 Fees, Charges, and Expenses Permitted by the Deed

6.2.2 Maximum Annual Management Fee, second and third paragraph

The Trustee shall ensure that the annual management fee charged is reasonable having regard to:

- (a) the nature, quality and extent of the services provided by the Manager;
- (b) the amount of the management fee in relation to the size and composition of the investments of the Fund;
- (c) the success of the Manager in meeting the objective of the Fund;
- (d) the investment performance of the Fund;
- (e) the maximum rate (stipulated above).

“SECTION 6 - SALIENT TERMS OF THE DEED”, Section 6.2 Fees, Charges, and Expenses Permitted by the Deed

6.2.3 Maximum Annual Trustee’s Fee

According to the Deed, the Trustee is permitted to charge to the Fund an annual Trustee’s fee at the maximum rate below:

Maximum Allowable Rate
0.15% per annum of the Net Asset Value of the Fund subject to a minimum of RM18,000 per annum (excluding foreign custodian fees and charges). Further, if the Trustee is the counterparty for a hedge transaction in relation to the Fund, then an additional fee is payable to the Trustee.

In addition to the annual Trustee’s fee, the Trustee may be reimbursed by the Fund for any expense properly incurred by the Trustee in the performance of its duties and responsibilities and for taking into custody any foreign or external assets or investments of the Fund. Such custodian fee, if charged, shall be determined in consultation with the Manager and shall not exceed the relevant prevailing market rate.

“SECTION 6 - SALIENT TERMS OF THE DEED”, Section 6.2 Fees, Charges, and Expenses Permitted by the Deed

6.2.4 Increase in Fees and Charges

Any increase in the actual sales charge, actual repurchase charge, annual management and annual Trustee’s fees above the level disclosed in this prospectus (but below the maximum rate prescribed in the Deed) can be made by way of a supplementary prospectus or replacement prospectus. However, any increase in the sales charge, repurchase charge, annual management and annual Trustee’s fees above the maximum rate prescribed in the Deed can only be made by way of a supplemental deed which will require Unit Holders’ approval before the issuance of a supplemental deed and a supplementary prospectus or replacement prospectus.

“SECTION 6 – SALIENT TERMS OF THE DEED”, Section 6.3 Removal, Replacement and Retirement of the Manager and Trustee

6.3.1 Removal or Replacement of the Manager, item (vi)

has failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interests of Unit Holders for the Trustee to remove or replace the Manager after the Trustee has given notice to the Manager of that opinion and the reasons for that opinion, and the Trustee has considered any representations made by the Manager in respect

of that opinion, and after consultation with the relevant authorities and with the approval of the Unit Holders by way of a special resolution.

“SECTION 6 - SALIENT TERMS OF THE DEED”, Section 6.3 Removal, Replacement and Retirement of the Manager and Trustee

6.3.2 Retirement of the Manager

The Manager may retire in favour of some other corporation and as necessary under any relevant law upon giving the Trustee twelve (12) months written notice of the Manager’s intent to do so or such shorter time as the Manager and the Trustee may agree upon, provided such retirement is carried out in accordance with the relevant laws and terms and conditions under the Deed.

“SECTION 6 - SALIENT TERMS OF THE DEED”, Section 6.3 Removal, Replacement and Retirement of the Manager and Trustee

6.3.3 Removal or Replacement of the Trustee

The Trustee may be removed or replaced by the Manager if:

- (i) the Trustee has ceased to exist; or
- (ii) the Trustee has not been validly appointed; or
- (iii) the Trustee was not eligible to be appointed or to act as trustee under any relevant law; or
- (iv) the Trustee has failed or refused to act as trustee in accordance with the provisions or covenants of the Deed or any relevant law; or
- (v) a receiver has been appointed over the whole or a substantial part of the assets or undertaking of the Trustee and has not ceased to act under that appointment; or
- (vi) a petition has been presented for the winding up of the Trustee (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the Trustee becomes or is declared insolvent); or
- (vii) the Trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 2016 or any relevant law; or
- (viii) a special resolution is duly passed in accordance with the provisions of the Deed that the Trustee be removed in a meeting of Unit Holders.

“SECTION 6 - SALIENT TERMS OF THE DEED”, Section 6.3 Removal, Replacement and Retirement of the Manager and Trustee

6.3.4 Retirement of the Trustee

The Trustee may retire by giving twelve (12) months’ written notice to the Manager of the Trustee’s intent to do so, or such shorter time as the Manager and the Trustee may agree upon, and appoint in its stead a new trustee approved by the relevant authorities and under any relevant law.

“SECTION 6 - SALIENT TERMS OF THE DEED”, Section 6.5 Unit Holders’ Meeting (“Meeting”)

6.5.2 Manner of Voting and Resolution

Every Unit Holder entitled to attend the Meeting and to vote, may do so personally or by proxy. At a Meeting, every resolution of the Meeting shall be decided by a show of hands unless a poll is demanded or if the Meeting is to determine on a matter of special resolution, in which case a poll should be taken. On a voting by show of hands, every Unit Holder who is present in person or by proxy shall have one vote.

A poll may be demanded on any resolution. If a poll is taken or demanded, every Unit Holder who is present in person or by proxy has one vote for every Unit held by the Unit Holder. The Manager may attend any Meeting but must not exercise the voting rights for the Units it or its nominees hold in any Meeting, regardless of the party who requested for the Meeting and the matters that are laid before the Meeting.

A poll may be demanded by the chairman of the Meeting, the Trustee, the Manager or by Unit Holders holding (or represented by proxy) between them not less than one-tenth (1/10) of the total number of Units then in issue.

Unless a poll is so demanded, a declaration by the chairman of the Meeting of the result of the resolution shall be conclusive evidence of the fact whether in favour of or against such resolution.

All resolutions presented at the Meeting shall be passed by a simple majority except for special resolutions which require majority in number representing at least three-fourths (3/4) of the value of Units held by the Unit Holders voting at the Meeting in person or by proxy. Resolutions passed at the Meeting shall bind all Unit Holders whether or not they were present at the Meeting.

“SECTION 7 - THE MANAGEMENT AND ADMINISTRATION OF THE FUND”, Section 7.2 Board of Directors

The board of directors of the Manager takes an active part in the affairs of the Manager and the unit trust funds under its management. The board of directors of the Manager meets at least once every three (3) months to receive recommendations and reports on investment activities from the committee undertaking the oversight function of the Fund, set policies and guidelines of

the Manager and to review performance, financial and audit reports of the Manager. Additional meetings shall also be convened, should the need arise.

The list of board of directors are available on our website, www.rhbgroup.com.

“SECTION 7 - THE MANAGEMENT AND ADMINISTRATION OF THE FUND”, Section 7.3 Functions of the Manager

The Manager is responsible for the day-to-day administration of the Fund in accordance with the provisions of the Deed. The main roles, duties and responsibilities of the Manager include:

- Selecting and managing investments of the Fund;
- Executing, supervising and valuing investments of the Fund;
- Arrangement of sale and repurchase of Units;
- Keeping proper records of the Fund;
- Issuing the Fund’s semi-annual and annual reports to Unit Holders;
- Distribution of income to Unit Holders (if any); and
- Marketing the Fund to potential investors.

The Manager is a member of FIMM. It maintains a tied sales agency force which is duly registered with FIMM which markets and distributes its proprietary unit trust funds to prospective investors. It also has an IUTA arrangement with RHB Bank Berhad and/or such other approved distributors as may be appointed by the Manager from time to time.

“SECTION 7 - THE MANAGEMENT AND ADMINISTRATION OF THE FUNDS”, 7.4 The Investment Committee, Functions of the Investment Committee.

The paragraph under above section is deleted.

“SECTION 7 - THE MANAGEMENT AND ADMINISTRATION OF THE FUND”, Section 7.4 The Investment Team

The investment team is jointly responsible for the overall investment decisions made on behalf of the Fund.

The designated fund manager is Michael Chang Wai Sing.

Michael Chang is the CIO Fixed Income for RHBAM and has more than 21 years of fund management experience specializing in fixed income investments for insurers and asset management companies. Prior to joining RHBAM, he was with MCIS Insurance Bhd (formerly known as MCIS Zurich) for eight years managing both life and general insurance portfolios. As the CIO of Fixed Income, Michael’s primary role is to set the strategic direction for the fixed income investment team in Malaysia and RHBAM’s regional offices covering both portfolio managers and credit analysts.

His strong investment acumen is recognized by the market and has been awarded as the Most Astute Investors in Asian Local Currency Bonds by the Asset Benchmark Research, Malaysia Rank #1 for four consecutive years from 2014 to 2017. He continued to maintain the Top 10 / Highly Commended ranking for the Most Astute Investors in 2018 and 2019. RHBAM also emerged and maintained its Top 3 ranking from 2017 to 2020 in the Top Fund House for Malaysia by the same research company. In 2020, RHBAM achieved Rank #1 for Top Fund House and two portfolio managers of RHBAM also ranked #1 and #6 as most Astute Investors in Asian Local Currency Bonds.

Michael graduated with a bachelor of commerce degree from The University of Western Australia, with double majors in accounting and finance and a minor in business law. He is a licensed Capital Markets Services Representative’s License (CMSRL) holder to practice Fund Management and also a member of ACI-Malaysia – The Financial Markets Association (PPKM). Prior to gaining his PPKM membership, he is a distinction and award recipient of PPKM. Prior to gaining his membership, he was a distinction and award recipient of Pasaran Kewangan Malaysia Certificate (PKMC). He is also a holder of the Capital Market and Financial and Financial Advisory Services (“CMFAS”) to practice fund management in Singapore having successfully completed Module 3 - Rules & Regulations for Fund Management and Representative under the Securities and Futures Act (CAP 289) (“SFA”) and/or Financial Advisers Act (CAP 110) (“FAA”), Monetary Authority of Singapore (“MAS”).

“SECTION 7 - THE MANAGEMENT AND ADMINISTRATION OF THE FUND”, Section 7.5 Manager’s Disclosure of Material Litigation and Arbitration

As at the Latest Practicable Date, there is no material litigation and arbitration, including those pending or threatened, and the Manager is not aware of any facts likely to give rise to any proceedings which might materially and adversely affect the business and/or financial position of the Manager.

“SECTION 7 - THE MANAGEMENT AND ADMINISTRATION OF THE FUND”, Section 7.6 Other Information

Further information on the Manager is provided on the Manager’s website, www.rhbgroup.com.

“SECTION 8 - THE TRUSTEE OF THE FUND”, Section 8.1 HSBC (Malaysia) Trustee Berhad

The Trustee is HSBC (Malaysia) Trustee Berhad, a company incorporated in Malaysia since 1937 and registered as a trust company under the Trust Companies Act 1949, with its registered address at Level 19, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur.

“SECTION 8 - THE TRUSTEE OF THE FUND”, Section 8.5 Trustee’s Disclosure of Material Litigation

As at the Latest Practicable Date, the Trustee is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee and any of its delegates.

“SECTION 8 - THE TRUSTEE OF THE FUND”, Section 8.6 Trustee’s Delegates

The Trustee has appointed The Hongkong and Shanghai Banking Corporation Ltd as the custodian of both the local and foreign assets of the Fund. For quoted and unquoted local investments of the Fund, the assets of the Fund are held through HSBC Bank Malaysia Berhad and/or HSBC Nominees (Tempatan) Sdn Bhd. The Hongkong and Shanghai Banking Corporation Ltd is a wholly owned subsidiary of HSBC Holdings Plc, the holding company of the HSBC Group. The custodian’s comprehensive custody and clearing services cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate events processing. All investments are registered in the name of the Trustee or to the order of the Trustee. The custodian acts only in accordance with instructions from the Trustee.

The Trustee shall be responsible for the acts and omissions of its delegate as though they were its own acts and omissions.

However, the Trustee is not liable for the acts, omissions or failure of third party depository including central securities depositories, or clearing and/or settlement systems and/or authorised depository institutions, where the law or regulations of the relevant jurisdiction requires the Trustee to deal or hold any asset of the Fund through such third parties.

Particulars of the Trustee’s Delegate

For foreign assets:

The Hongkong And Shanghai Banking Corporation Limited 6/F, Tower 1,
HSBC Centre,
1 Sham Mong Road, Hong Kong.
Telephone No: (852)2288 6111

For local assets:

The Hongkong And Shanghai Banking Corporation Limited (As Custodian) and assets held through HSBC Nominees (Tempatan) Sdn Bhd (Registration No.: 199301004117(258854-D))
Level 21, Menara IQ
Lingkaran TRX
55188 Tun Razak Exchange
Kuala Lumpur, Malaysia
Telephone No: (603)2075 3000 Fax No: (603) 8894 2588

The Hongkong and Shanghai Banking Corporation Limited
(As Custodian) and assets held through HSBC Bank Malaysia Berhad (Registration No.: 198401015221(127776-V))
Level 21, Menara IQ
Lingkaran TRX
55188 Tun Razak Exchange
Kuala Lumpur, Malaysia
Telephone No: (603)2075 3000 Fax No: (603) 8894 2588

“SECTION 9 - RELATED-PARTY TRANSACTION AND CONFLICT OF INTEREST”, first paragraph

The directors and officers of the Manager, and members of the committee undertaking the oversight function of the Fund should avoid any conflict of interest arising, and if any conflict arises, should ensure that the Fund is not disadvantaged by the transaction concerned. Any transaction carried out by or on behalf of the Fund should be executed on terms which are the best available for the Fund and which are no less favourable to the Fund than an arm’s length transaction between independent parties. In the event the interest of any directors and employees of the Manager, and members of the committee undertaking the oversight function of the Fund is directly or indirectly involved, he or she would abstain from being involved with any decision making process of the said transaction.

“SECTION 9 - RELATED-PARTY TRANSACTION AND CONFLICT OF INTEREST”, HSBC (Malaysia) Trustee Berhad, Item 1)

Where the Fund invests in instruments offered by the related party of the Trustee (e.g. placement of monies, embedded derivatives, etc);

“SECTION 10 - TAX ADVISER’S LETTER ON THE TAXATION OF THE FUND AND UNIT HOLDERS”

The new tax adviser’s letter from KPMG Tax Services Sdn Bhd has been inserted.

“SECTION 13 - DOCUMENTS AVAILABLE FOR INSPECTION”

The following documents or copies thereof, where applicable, may be inspected by Unit Holders without charge at the registered/principal office of the Manager or such other place as the Securities Commission may determine:

- (a) the Deed and supplemental deed, if any;
- (b) the current prospectus and supplementary or replacement prospectus, if any; (c) the latest annual and semi-annual reports of the Fund;
- (d) each material contract disclosed in this prospectus and, in the case of a contract not reduced into writing, a memorandum which gives full particulars of the contract;
- (e) where applicable, the audited financial statements of the Manager and the Fund for the current financial year and for the last three (3) financial years or if the Fund has been established for a period of less than three (3) years, from the date of incorporation or commencement;
- (f) all reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in this prospectus (if any). Where a summary expert’s report is included in the prospectus, the corresponding full expert’s report shall be made available for inspection;
- (g) writ and relevant cause papers for all material litigation and arbitration disclosed in this prospectus; and
- (h) all consents given by the experts or persons whose statement appear in this prospectus.

“SECTION 14 - CONSENT”

The Trustee, Management Company, Sub-Manager and solicitors have given their consent for the inclusion of their names and statements in the form and context in which they appear in this prospectus and have not withdrawn such consent.

The tax adviser has given its consent for the inclusion of its name and tax adviser’s letter in the form and context in which they appear in this prospectus and has not withdrawn such consent.

“DIRECTORY OF OUTLETS FOR PURCHASE AND SALE OF UNITS”, last paragraph

Or call us at 03-9205 8000 at any time during our office hours: Mondays through Fridays from 9.00 a.m. – 5.00 p.m. or e-mail your enquiries to **rhbam@rhbgroup.com**.

MANAGER’S REPORT

ECONOMIC AND MARKET REVIEW

The Target Fund Manager said that hawkish shifts by the United States (“US”) Federal Reserve (“Fed”) and other central banks as they struggled to rein in inflation, combined with a stronger US dollar (“USD”), had put downward pressure on gold for much of year 2022. But the trend reversed in fourth quarter of year 2022 (“4Q22”), after data showed US inflation was cooling more quickly than expected, tempering rate-hike forecasts and sending the USD lower. The positive trend for gold continued in first quarter of year 2023 (“1Q23”) as investors sought perceived havens due to concern over the stability of the financial system, after Silicon Valley Bank collapsed and Credit Suisse had to be rescued. Second quarter of year 2023 (“2Q23”), the final quarter of the period under review, saw the gold-equity index give up some of its gains as gold declined on expectations of further rate hikes as inflation proved sticky. The precious metal ended first half of year 2023 (“1H23”) at about USD1,919 per Troy ounce.

The Target Fund Manager mentioned that Mining stocks also had a positive 12 months, reflecting gains towards the end of year 2022 and in the first months of year 2023. The upward share-price trend followed the easing of COVID-19 restrictions in China, which sparked hopes of an economic ‘re-opening’ and consequently higher demand for industrial metals. Declining energy prices contributed to the positive mood in markets. However, the period under review ended on a downbeat note, with the Bloomberg Commodities Industrial Metals Subindex losing 11.70% in 2Q23, impacted by macro fears generally and doubts about the health of the Chinese property sector specifically. Copper (-7.50%), iron ore (-10.60%) and aluminium (-10.80%) were among the industrial metals to see declines in the quarter.

FUND STRATEGY AND OUTLOOK GOING FORWARD

The Target Fund Manager viewed that the outlook for gold prices remains attractive as they believe the risks to the upside far outweigh those to the downside. Concerns about recession loom large and, while the US economy has held up well, the fallout from the regional bank crisis is still to be fully felt and rates are more likely to be falling in 12 months’ time, if not sooner. Also, central-bank buying continues at a record pace. This structural change in buying by central banks – driven, they believe, in part by a desire to diversify holdings following the US sanctions to prevent Russia from holding USD – is likely to be a long-term trend. This should support gold prices at higher levels than they have seen historically.

The Target Fund manager said that if they are correct and gold prices continue to rise this year, they would expect gold equities to outperform from here as cost pressures abate and margins increase. Even if gold prices remain flat, they would expect equities to recover as earnings results show these improvements and the

market grows more confident that the difficult conditions of the last two years are over. Volatility should hopefully reduce somewhat as US Fed policy and the rates cycle become clearer – turning points are always uncertain – but the threat of a more severe recession may lead to further bouts of volatility in the short term. From a longer-term perspective, the strategy has provided good diversification and returns, and they see no reason why this should not be the case going forward. Overall, the Target Fund Manager believes the case for gold and gold equities has strengthened if anything in the past 12 months.

The Target Fund Manager said that metals markets sank back in May 2023, giving up their year-to-date gains as concerns over the anaemic Chinese recovery, particularly in manufacturing, weighed on sentiment. A sharp bout of destocking in Europe, and the US to a lesser extent, added to the depressed outlook and mining equities could not avoid selling by nervous investors. The outlook remains contentious as investors worry about a possible Western recession and China weakness in the short term, but they also see the structural energy-transition growth story starting to unfold. The Inflation Reduction Act in the US, and Europe’s response to it, have highlighted the need for critical minerals to enable the transition, but many investors are unsure how the supply response will play out. They continue to believe that the current market weakness will provide opportunities to add exposure to the resources sector. Mining companies generally are less indebted than they have been for many years and continue to generate good cash flows.

TARGET FUND’S TOP 10 HOLDINGS

The Target Fund’s top 10 holdings as at 30 June 2023 are as follows:

No	Security Name	Market Value (SGD)	Weight %
1	Agnico Eagle Mines Ltd	11,984,559	9.33
2	Newcrest Mining Ltd	11,936,456	9.29
3	Barrick Gold Corp	10,616,742	8.26
4	Northern Star Resources Ltd	8,920,094	6.94
5	Newmont Corp	8,044,701	6.26
6	Gold Fields Ltd	5,920,099	4.61
7	Rio Tinto PLC	5,546,254	4.32
8	Evolution Mining Ltd	5,486,888	4.27
9	OceanaGold Corp	5,305,936	4.13
10	SSR Mining Inc	5,205,021	4.05

TARGET FUND'S TOP 10 HOLDINGS (CONTINUED)

The Target Fund's top 10 holdings as at 30 June 2022 are as follows:

No	Security Name	Market Value (SGD)	Weight %
1	Newmont Corp	11,176,888	9.84
2	Agnico Eagle Mines Ltd	10,606,627	9.33
3	Barrick Gold Corp	10,570,685	9.30
4	Glencore PLC	9,200,643	8.10
5	Newcrest Mining Ltd	9,007,312	7.93
6	Gold Fields Ltd	5,472,833	4.82
7	SSR Mining Inc	5,323,998	4.69
8	Endeavour Mining PLC	5,178,250	4.56
9	Northern Star Resources Ltd	4,446,537	3.91
10	OceanaGold Corp	4,106,564	3.61

REVIEW OF THE FUND PERFORMANCE DURING THE FINANCIAL YEAR

For the financial year under review, the Fund registered a return of 17.61%* whilst its benchmark recorded a return of 12.64%* in Malaysia Ringgit ("RM") terms. The Fund has achieved its objective for the financial year under review. The Net Asset Value per unit of the Fund was RM0.4823 (2022: RM0.4101) as at 30 June 2023.

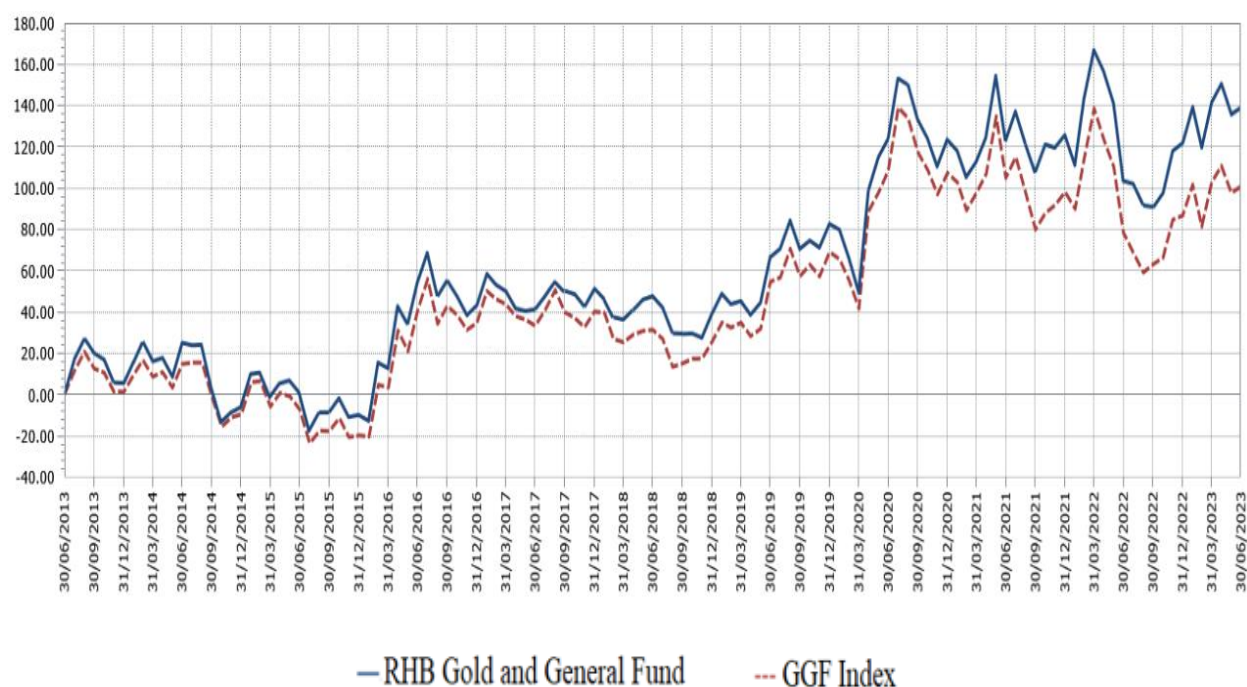
* Source: Lipper Investment Management ("Lipper IM"), 14 July 2023

PERFORMANCE DATA

	Annual Total Returns				
	Financial Year Ended 30 June				
	2023	2022	2021	2020	2019
	%	%	%	%	%
RHB Gold and General Fund					
- Capital Return	17.61	(8.74)	(0.49)	34.40	12.83
- Income Return	-	-	-	-	-
- Total Return	17.61	(8.74)	(0.49)	34.40	12.83
GGF Index	12.64	(13.01)	(1.68)	35.11	17.71

	Average Annual Returns			
	1 Year	3 Years	5 Years	10 Years
	30.06.2022-30.06.2023	30.06.2020-30.06.2023	30.06.2018-30.06.2023	30.06.2013-30.06.2023
	%	%	%	%
RHB Gold and General Fund	17.61	2.22	10.12	9.10
GGF Index	12.64	(1.24)	8.90	7.22

**Performance of RHB Gold and General Fund
for the period from 30 June 2013 to 30 June 2023
Cumulative Return Over The Period (%)**



Source: Lipper IM, 14 July 2023

The abovementioned performance figures are indicative returns based on daily Net Asset Value of a unit (as per Lipper Database) since inception.

The calculation of the above returns is based on computation methods of Lipper.

Note : Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

The abovementioned performance computations have been adjusted to reflect distribution payments and unit splits wherever applicable.

Fund Size	As at 30 June		
	2023	2022	2021
Net Asset Value (RM million)	183.30	161.98	237.16
Units In Circulation (million)	380.07	394.98	527.77
Net Asset Value Per Unit (RM)	0.4823	0.4101	0.4494

Historical Data	Financial Year Ended 30 June		
	2023	2022	2021
Unit Prices			
NAV – Highest (RM)	0.5278	0.5659	0.5370
– Lowest (RM)	0.3553	0.4101	0.4143
Distribution and Unit Split	-	-	-
Others			
Total Expense Ratio (TER) (%) #	0.42	0.42	0.41
Portfolio Turnover Ratio (PTR) (times) ##	0.28	0.37	0.54

The TER for the financial year was consistent with the previous financial year.

The PTR for the financial year was lower compared with previous financial year due to lesser investing activities for the financial year under review.

DISTRIBUTION

During the financial year under review, no distribution has been proposed by the Fund.

PORTFOLIO STRUCTURE

The asset allocations of the Fund as at reporting date were as follows:

	As at 30 June		
	2023	2022	2021
	%	%	%
Sectors			
Collective investment scheme - foreign	96.84	82.19	95.82
Liquid assets and other net current assets	3.16	17.81	4.18
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

The asset allocations have been structured to meet the Fund's intended objective.

SECURITIES FINANCING TRANSACTIONS

The Fund has not undertaken any securities lending or repurchase transactions for the financial year under review.

CROSS TRADE

The Fund has not carried out any cross trade transactions for the financial year under review.

SOFT COMMISSION

There were no soft commissions received by the management company for the financial year under review.

**RHB GOLD AND GENERAL FUND
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	<u>Note</u>	<u>2023</u> RM	<u>2022</u> RM
ASSETS			
Bank balances	5	50,834	50,876
Deposits with licensed financial institutions	5	8,976,329	8,220,159
Investments	6	177,507,933	133,123,582
Amount due from Manager		965	20,695,142
Other receivables		209,616	165,190
Tax recoverable		303,072	-
TOTAL ASSETS		<u>187,048,749</u>	<u>162,254,949</u>
LIABILITIES			
Amount due to Fund Manager of collective investment scheme		3,445,700	-
Amount due to Manager		12,378	-
Accrued management fee		272,533	219,868
Amount due to Trustee		9,085	7,329
Other payables and accruals		11,800	8,850
Tax payable		-	42,531
TOTAL LIABILITIES		<u>3,751,496</u>	<u>278,578</u>
NET ASSET VALUE		<u>183,297,253</u>	<u>161,976,371</u>
EQUITY			
Unit holders' capital		247,173,856	259,269,716
Accumulated losses		(63,876,603)	(97,293,345)
		<u>183,297,253</u>	<u>161,976,371</u>
UNITS IN CIRCULATION (UNITS)	7	<u>380,065,000</u>	<u>394,977,000</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.4823</u>	<u>0.4101</u>

The accompanying notes are an integral part of the financial statements.

**RHB GOLD AND GENERAL FUND
STATEMENT OF INCOME AND EXPENSES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

	<u>Note</u>	<u>2023</u> RM	<u>2022</u> RM
INCOME			
Interest income from deposits with licensed financial institutions		160,267	117,082
Net realised gain on disposal		8,076,257	27,313,838
Net unrealised gain/(loss) on change in fair value		26,198,868	(26,095,532)
Net foreign currency exchange loss		(232,230)	(271,722)
		<u>34,203,162</u>	<u>1,063,666</u>
EXPENSES			
Management fee	8	(660,889)	(746,170)
Trustee's fee	9	(111,930)	(127,084)
Audit fee		(6,800)	(6,350)
Tax agent's fee		(2,500)	(2,500)
Other expenses		(4,301)	(4,863)
		<u>(786,420)</u>	<u>(886,967)</u>
Net income before taxation		33,416,742	176,699
Taxation	10	-	(42,531)
Net income after taxation		<u>33,416,742</u>	<u>134,168</u>
Net income after taxation is made up of the following:			
Realised amount		7,217,874	26,229,700
Unrealised amount		26,198,868	(26,095,532)
		<u>33,416,742</u>	<u>134,168</u>

The accompanying notes are an integral part of the financial statements.

RHB GOLD AND GENERAL FUND
STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

	Unit holders’ capital RM	Accumulated losses RM	Total net asset value RM
Balance as at 1 July 2021	334,583,973	(97,427,513)	237,156,460
Movement in net asset value:			
Net income after taxation	-	134,168	134,168
Creation of units arising from applications	102,156,843	-	102,156,843
Cancellation of units	(177,471,100)	-	(177,471,100)
Balance as at 30 June 2022	<u>259,269,716</u>	<u>(97,293,345)</u>	<u>161,976,371</u>
Balance as at 1 July 2022	259,269,716	(97,293,345)	161,976,371
Movement in net asset value:			
Net income after taxation	-	33,416,742	33,416,742
Creation of units arising from applications	57,313,044	-	57,313,044
Cancellation of units	(69,408,904)	-	(69,408,904)
Balance as at 30 June 2023	<u>247,173,856</u>	<u>(63,876,603)</u>	<u>183,297,253</u>

The accompanying notes are an integral part of the financial statements.

**RHB GOLD AND GENERAL FUND
STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

	<u>Note</u>	<u>2023</u> RM	<u>2022</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		51,583,943	138,463,029
Purchase of investments		(58,497,870)	(43,385,187)
Interest received from deposits with licensed financial institutions		160,267	117,082
Management fee paid		(634,479)	(773,986)
Trustee's fee paid		(110,174)	(131,911)
Payment for other fees and expenses		(10,651)	(13,713)
Tax paid		(345,603)	-
Net cash (used in)/generated from operating activities		<u>(7,854,567)</u>	<u>94,275,314</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		78,007,221	83,814,306
Cash paid for units cancelled		(69,396,526)	(177,471,100)
Net cash generated from/(used in) financing activities		<u>8,610,695</u>	<u>(93,656,794)</u>
Net increase in cash and cash equivalents		756,128	618,520
Cash and cash equivalents at the beginning of the financial year		<u>8,271,035</u>	<u>7,652,515</u>
Cash and cash equivalents at the end of the financial year	5	<u>9,027,163</u>	<u>8,271,035</u>

The accompanying notes are an integral part of the financial statements.

**RHB GOLD AND GENERAL FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

The RHB Gold and General Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Deed dated 15 February 2008 as amended via its first supplemental deed dated 4 September 2013, second supplemental deed dated 16 February 2015, third supplemental deed dated 3 August 2015 and fourth supplemental deed dated 27 June 2022 (collectively referred to as “The Deeds”) between RHB Asset Management Sdn Bhd (“the Manager”) and HSBC (Malaysia) Trustee Berhad (“the Trustee”).

The Fund was launched on 21 July 2009 and will continue its operations until terminated according to the conditions provided in the Deeds. The principal activity of the Fund is to invest in Permitted Investments as defined in the Deeds. The Fund is a feeder fund that invests in the United Gold and General Fund (“Target Fund”), a collective investment scheme launched in June 1995 that is domiciled in Singapore and is managed by UOB Asset Management Limited, Singapore.

All investments will be subject to the Securities Commission Malaysia (“SC”)’s Guidelines on Unit Trust Funds, SC’s requirements, the Deeds, except where exemptions or variations have been approved by the SC, internal policies and procedures and objective of the Fund.

The main objective of the Fund is to achieve returns on investment mainly in securities of corporations (whether or not listed on any stock exchange, and in any part of the world) whose business (in any part of the world) is or is substantially in the mining or extraction of gold, silver or precious metals (e.g. platinum, palladium, rhodium etc.), bulk commodities (e.g. coal, iron ore, steel etc.), base metals of all kinds (e.g. copper, aluminium, nickel, zinc, lead, tin etc.), and other commodities (e.g. industrial minerals, titanium dioxide, borates etc.) and it includes the mining or extraction of oil, gas, coal and alternative energy or other commodities or other minerals.

The Manager, a company incorporated in Malaysia, is a wholly-owned subsidiary of RHB Investment Bank Berhad, effective 6 January 2003. Its principal activities include rendering of investment management services, management of unit trust funds and private retirement schemes and provision of investment advisory services.

These financial statements were authorised for issue by the Manager on 21 August 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of the financial statements

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss, except those as disclosed in the summary of significant accounting policies, and in accordance with Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the financial year. It also requires the Manager to exercise its judgement in the process of applying the Fund’s accounting policies. Although these estimates and judgement are based on the Manager’s best knowledge of current events and actions, actual results may differ. There were no areas involving higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements.

(a) Standards and amendments to existing standards effective 1 July 2022

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 July 2022 that have a material effect on the financial statements of the Fund.

(b) New standards, amendments and interpretations effective after 1 July 2022 and have not been early adopted

A number of new standards and amendments to standards and interpretations are effective for the financial year beginning after 1 July 2022. None of these is expected to have a significant effect on the financial statements of the Fund, except the following set out below:

- Amendments to MFRS 101 ‘Classification of liabilities as current or non-current’ clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity’s expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

The amendment is effective for the annual financial reporting period beginning on or after 1 July 2024.

The amendment shall be applied retrospectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Financial assets

Classification

The Fund classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss (“FVTPL”), and
- those to be measured at amortised cost.

The Fund classifies its investments based on both the Fund’s business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Fund’s debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund’s business model’s objective. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from Manager and other receivables as financial assets measured at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset. Financial assets at fair value through profit or loss are initially recognised at fair value.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains or losses arising from changes in the fair value of the ‘financial assets at fair value through profit or loss’ category are presented in statement of income and expenses within net gain or losses on investments in the year in which they arise.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Financial assets (continued)

Recognition and measurement (continued)

Collective investment scheme is valued based on the last published net asset value per unit or share of such collective investment scheme or, if unavailable, on the average of the last published buying price and the last published selling price of such unit or share (excluding any sales charge included in such selling price).

Deposits with licensed financial institutions are stated at cost plus accrued interest calculated on the effective interest method over the period from the date of placement to the date of the statement of financial position, which is a reasonable estimate of fair value due to the short-term nature of the deposits.

Financial assets at amortised cost are subsequently carried at amortised cost using the effective interest method.

Impairment of financial assets

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. Management considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on the 12-month expected credit losses as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due or a counterparty credit rating which has fallen below BBB/Baa.

Definition of default and credit-impaired financial assets

Any contractual payment which is more than 90 days past due is considered credit impaired.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Financial assets (continued)

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on the unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Fund may write off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial year.

2.3 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of MFRS 9, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

The Fund's financial liabilities which include amount due to Fund Manager of collective investment scheme, amount due to Manager, accrued management fee, amount due to Trustee, other payables and accruals are recognised initially at fair value plus directly attributable transaction cost and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in statement of income and expenses when the liabilities are derecognised, and through the amortisation process.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Unit holders' capital

The unit holders' contributions to the Fund meet the criteria of the definition of puttable instruments to be classified as equity instruments under MFRS 132 "Financial Instruments: Presentation". These criteria include:

- the units entitle the holder to a proportionate share of the Fund's net asset value;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligation to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the statement of income and expenses of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial year if the unit holders exercise the right to put the units back to the Fund.

Units are created and cancelled at prices based on the Fund's net asset value per unit at the time of creation or cancellation. The Fund's net asset value per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

2.5 Income recognition

Interest income from deposits with licensed financial institutions is recognised on an accrual basis using the effective interest method.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

Realised gain or loss on sale of the collective investment scheme is arrived at after accounting for cost of investments, determined on the weighted average cost method.

Net income or loss is the total of income less expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Taxation

Current tax expense is determined according to Malaysian tax laws and includes all taxes based upon the taxable income earned during the financial year.

2.7 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise bank balances and deposits with licensed financial institutions with original maturities of three months or less that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

2.8 Amount due from/to Fund Manager of collective investment scheme

Amount due from/to Fund Manager of collective investment scheme represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the date of the statement of financial position respectively. The amount due from fund manager of collective investment scheme balance is held for collection.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amounts due from Fund Manager of collective investment scheme at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the Fund Manager of collective investment scheme, probability that the Fund Manager of collective investment scheme will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

2.9 Presentation and functional currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). The financial statements are presented in Ringgit Malaysia (“RM”), which is the Fund’s presentation and functional currency.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Presentation and functional currency (continued)

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in RM primarily due to the following factors:

- The Fund's cash is denominated in RM for the purpose of making settlement of the creation and cancellation.
- The Fund's units are denominated in RM.
- The Fund's significant expenses are denominated in RM.

2.10 Foreign currency translation

Foreign currency transactions in the Fund are accounted for at exchange rates prevailing at the transaction dates. Foreign currency monetary assets and liabilities are translated at exchange rates prevailing at the reporting date. Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are recognised in statement of income and expenses.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks, which include market risk, price risk, interest rate risk, currency risk, credit risk, liquidity risk and capital risk.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated in the SC Guidelines on Unit Trust Funds.

Market risk

Market risk is a risk that arises when the prices of investments in the market place are affected by circumstances, which may be a local or global event, can affect a local market where the Target Fund is invested in or global markets and subsequently, the value of the Target Fund's investments.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Price risk

Price risk is the risk that the fair value of the investments of the Fund will fluctuate because of changes in market prices.

The Fund is exposed to collective investment scheme price risk for its investments of RM177,507,933 (2022: RM133,123,582) in collective investment scheme.

The sensitivity analysis is based on the assumption that the price of the collective investment scheme fluctuate by +/- 5% with all other variables held constant, the impact on the statement of income and expenses and net asset value is +/- RM8,875,397 (2022: RM6,656,179).

Interest rate risk

Interest rate risk is the risk that the cost or the value of the financial instruments will fluctuate due to changes in market interest rates. The Fund's exposure to the interest rate risk is mainly from short term placements with financial institutions. The Manager overcomes the exposure by way of maintaining deposits on short term basis. Therefore, exposure to interest rate fluctuation is minimal.

Currency risk

Currency risk is associated with financial instruments that are quoted and/or priced in foreign currency denomination. Malaysian based investor should be aware that if the Ringgit Malaysia appreciates against the currencies in which the portfolio of the investment is denominated, this will have an adverse effect on the net asset value of the Fund and vice versa. The Fund did not have any significant financial liabilities denominated in foreign currencies as at the financial year end date.

The Manager or its fund management delegate could utilise two pronged approaches in order to mitigate the currency risk; firstly by spreading the investments across different currencies (i.e. diversification) and secondly, by hedging the currencies when it deemed necessary.

The analysis is based on the assumption that the foreign exchange rate fluctuates by +/- 5%, with all other variables remain constants, the impact on statement of income and expenses and net asset value is +/- RM8,885,877 (2022: RM6,664,439).

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Currency risk (continued)

The following tables sets out the currency risk concentration of the Fund:

	<u>Investments</u> RM	<u>Other receivables</u> RM	<u>Total</u> RM
<u>2023</u>			
Singapore Dollar	<u>177,507,933</u>	<u>209,616</u>	<u>177,717,549</u>
<u>2022</u>			
Singapore Dollar	<u>133,123,582</u>	<u>165,190</u>	<u>133,288,772</u>

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligation resulting in financial loss to the Fund. The credit risk arising from cash and cash equivalent is managed by ensuring that the Fund will only maintain cash balances and place deposits with reputable licensed financial institutions. The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC Guidelines on Unit Trust Funds.

For amount due from Fund Manager of collective investment scheme, the settlement terms are governed by the relevant rules and regulations as prescribed by the relevant regulatory authority in its home jurisdiction.

The following table sets out the credit risk concentration of the Fund:

	<u>Cash and cash equivalents</u> RM	<u>Other financial assets*</u> RM	<u>Total</u> RM
<u>2023</u>			
AAA	9,027,163	-	9,027,163
Others	-	210,581	210,581
	<u>9,027,163</u>	<u>210,581</u>	<u>9,237,744</u>
<u>2022</u>			
AAA	8,271,035	-	8,271,035
Others	-	20,860,332	20,860,332
	<u>8,271,035</u>	<u>20,860,332</u>	<u>29,131,367</u>

* Comprise amount due from Manager and other receivables.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations.

Liquidity risk exists when particular investments are difficult to sell, possibly preventing a unit trust fund from selling such illiquid securities at an advantageous time or price. As part of its risk management, the Manager will attempt to manage the liquidity of the Fund through asset allocation and diversification strategies within the portfolio. The Manager will also conduct constant fundamental research and analysis to forecast future liquidity of its investments.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period from the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than <u>1 month</u> RM	Between <u>1 month</u> to <u>1 year</u> RM
<u>2023</u>		
Amount due to Fund Manager of collective investment scheme	3,445,700	-
Amount due to Manager	12,378	-
Accrued management fee	272,533	-
Amount due to Trustee	9,085	-
Other payables and accruals	-	11,800
	<u>3,739,696</u>	<u>11,800</u>
<u>2022</u>		
Accrued management fee	219,868	-
Amount due to Trustee	7,329	-
Other payables and accruals	-	8,850
	<u>227,197</u>	<u>8,850</u>

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital of RM247,173,856 (2022: RM259,269,716) and accumulated losses of RM63,876,603 (2022: RM97,293,345). The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

4. FAIR VALUE ESTIMATION

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

The fair value of financial assets and liabilities traded in an active market (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the financial year end date.

An active market is a market in which transactions for the assets or liabilities take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each financial year end date. Valuation techniques used for non-standardised financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

The fair values are based on the following methodologies and assumptions:

- (i) For bank balances and deposits with licensed financial institutions with maturities less than 1 year, the carrying value is a reasonable estimate of fair value.
- (ii) The carrying value of receivables and payables are assumed to approximate their fair values due to their short term nature.

4. FAIR VALUE ESTIMATION (CONTINUED)

Fair value hierarchy

The Fund adopted MFRS 13 “Fair Value Measurement” in respect of disclosures about the degree of reliability of fair value measurement. This requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3: Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs)

The following table analyses within the fair value hierarchy the Fund’s financial assets at fair value through profit or loss (by class) measured at fair value:

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2023</u>				
Financial assets at FVTPL:				
- Collective investment scheme - foreign	177,507,933	-	-	177,507,933
<u>2022</u>				
Financial assets at FVTPL:				
- Collective investment scheme - foreign	133,123,582	-	-	133,123,582

Investment in collective investment scheme, i.e. unit trust fund whose values are based on published prices in active markets is classified within Level 1. The Fund does not adjust the quoted prices for these instruments. The Fund’s policies on valuation of these financial assets are stated in Note 2.2.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

	<u>2023</u> RM	<u>2021</u> RM
Bank balances	50,834	50,876
Deposits with licensed financial institutions	8,976,329	8,220,159
	<u>9,027,163</u>	<u>8,271,035</u>

6. INVESTMENTS

	<u>2023</u> RM	<u>2022</u> RM
Investments:		
- Collective investment scheme - foreign	<u>177,507,933</u>	<u>133,123,582</u>

Investments as at 30 June 2023 are as follows:

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of</u> Net Asset <u>Value</u> %
COLLECTIVE INVESTMENT SCHEME - FOREIGN				
<u>SINGAPORE</u>				
UOB United Gold and General Fund	30,645,915	<u>153,872,044</u>	<u>177,507,933</u>	<u>96.84</u>

6. INVESTMENTS (CONTINUED)

Investments as at 30 June 2022 are as follows:

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of</u> <u>Net Asset</u> <u>Value</u> %
COLLECTIVE INVESTMENT SCHEME - FOREIGN				
<u>SINGAPORE</u>				
UOB United Gold and General Fund	27,171,688	<u>135,686,561</u>	<u>133,123,582</u>	<u>82.19</u>

7. UNITS IN CIRCULATION

	<u>2023</u> Units	<u>2022</u> Units
At the beginning of the financial year	394,977,000	527,768,000
Creation of units arising from applications during the financial year	128,881,000	221,609,000
Cancellation of units during the financial year	<u>(143,793,000)</u>	<u>(354,400,000)</u>
At the end of the financial year	<u>380,065,000</u>	<u>394,977,000</u>

8. MANAGEMENT FEE

In accordance with the Prospectus, the management fee provided in the financial statements is 1.80% (2022: 1.80%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial year. As the Fund invests in the Target Fund, the management fee charged by the Target Fund is fully refunded to this Fund. There is no double charging of management fee to the Fund.

9. TRUSTEE'S FEE

In accordance with the Prospectus, the Trustee's fee provided in the financial statements is 0.06% (2022: 0.06%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial year.

10. TAXATION

(a) Tax charge for the financial year

	<u>2023</u> RM	<u>2022</u> RM
Current taxation	-	42,531

(b) Numerical reconciliation of income tax expense

The numerical reconciliation between the net income before taxation multiplied by the Malaysian statutory income tax rate and the tax expense of the Fund is as follows:

	<u>2023</u> RM	<u>2022</u> RM
Net income before taxation	33,416,742	176,699
Tax calculated at a statutory income tax rate of 24%	8,020,018	42,408
Tax effects of:		
- Income not subject to tax	(8,208,759)	(255,280)
- Expenses not deductible for tax purposes	27,932	31,627
- Restriction on tax deductible expenses	160,809	181,245
- Foreign source of income subject to tax	-	42,531
Tax expense	-	42,531

11. TOTAL EXPENSE RATIO (“TER”)

	<u>2023</u> %	<u>2022</u> %
TER	0.42	0.42

The TER ratio is calculated based on total expenses excluding investment transaction related costs of the Fund to the average net asset value of the Fund calculated on a daily basis.

12. PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2023</u>	<u>2022</u>
PTR (times)	<u>0.28</u>	<u>0.37</u>

The PTR ratio is calculated based on average of acquisition and disposals of the Fund for the financial year to the average net asset value of the Fund calculated on a daily basis.

13. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

The number of units held by the Manager and related party are as follows:

	<u>2023</u>		<u>2022</u>	
	<u>Units</u>	<u>RM</u>	<u>Units</u>	<u>RM</u>
The Manager	33,003	15,917	22,450	9,207
RHB Capital Nominees (Tempatan) Sdn Bhd	25,626,640	12,359,729	28,026,710	11,493,754
RHB Nominees (Tempatan) Sdn Bhd	<u>143,694</u>	<u>69,304</u>	<u>-</u>	<u>-</u>

The units are held beneficially by the Manager for booking purposes. The Manager is of the opinion that all transactions with the related parties have been entered into in the normal course of business at agreed terms between the related parties.

The units held by RHB Capital Nominees (Tempatan) Sdn Bhd, a wholly owned subsidiary of ultimate holding company of the Manager and RHB Nominees (Tempatan) Sdn Bhd, a wholly owned subsidiaries of holding company of the Manager, are under the nominees structure.

Other than the above, there were no units held by Directors or parties related to the Manager.

The holding company and the ultimate holding company of the Manager is RHB Investment Bank Berhad and RHB Bank Berhad respectively. The Manager treats RHB Bank Berhad group of companies including RHB Investment Bank Berhad and its subsidiaries as related parties.

14. TRANSACTIONS BY THE FUND

Details of transactions by the Fund for the financial year ended 30 June 2023 is as follows:

<u>Fund Manager</u>	<u>Value of trades</u> RM	<u>Percentage of total trades</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage fees</u> %
UOB Asset Management Ltd	<u>113,420,883</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

Details of transactions by the Fund for the financial year ended 30 June 2022 is as follows:

<u>Fund Manager</u>	<u>Value of trades</u> RM	<u>Percentage of total trades</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage fees</u> %
UOB Asset Management Ltd	<u>182,139,035</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

15. FINANCIAL INSTRUMENTS BY CATEGORIES

	<u>2023</u> RM	<u>2022</u> RM
Financial assets		
Financial assets at FVTPL		
• Collective investment scheme	177,507,933	133,123,582
Financial assets at amortised cost		
• Bank balances	50,834	50,876
• Deposits with licensed financial institutions	8,976,329	8,220,159
• Amount due from Manager	965	20,695,142
• Other receivables	209,616	165,190
	<u>9,237,744</u>	<u>29,131,367</u>
Financial liabilities		
Financial liabilities at amortised cost		
• Amount due to from Fund Manager of collective investment scheme	3,445,700	-
• Amount due to Manager	12,378	-
• Accrued management fee	272,533	219,868
• Amount due to Trustee	9,085	7,329
• Other payables and accruals	11,800	8,850
	<u>3,751,496</u>	<u>236,047</u>

**STATEMENT BY MANAGER
RHB GOLD AND GENERAL FUND**

We, Dato' Darawati Hussain and Syed Ahmad Taufik Albar, two of the Directors of RHB Asset Management Sdn Bhd, do hereby state that in the opinion of the Directors of the Manager, the accompanying statement of financial position, statement of income and expenses, statement of changes in net asset value, statement of cash flows and the accompanying notes, are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of the Fund as at 30 June 2023 and of its financial performance and cash flows for the financial year then ended and comply with the provisions of the Deeds.

On behalf of the Manager,

Dato' Darawati Hussain
Director

Syed Ahmad Taufik Albar
Director

21 August 2023

TRUSTEE'S REPORT

To the unit holders RHB Gold and General Fund (“Fund”),

We have acted as Trustee of the Fund for the financial year ended 30 June 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, RHB Asset Management Sdn Bhd has operated and managed the Fund during the year covered by these financial statements in accordance with the following:-

1. Limitations imposed on the investment powers of the Management Company under the Deeds, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the Deeds; and
3. Any creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirements.

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
21 August 2023

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF RHB GOLD AND GENERAL FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of RHB Gold and General Fund (“the Fund”) give a true and fair view of the financial position of the Fund as at 30 June 2023 and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 June 2023, and the statement of income and expenses, statement of changes in net asset value and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 33 to 55.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the “Auditors’ responsibilities for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (“By-Laws”) and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF RHB GOLD AND GENERAL FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises Manager's Report, but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the financial statements

The Manager of the Fund is responsible for the preparation of the financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to terminate the Fund, or has no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF RHB GOLD AND GENERAL FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF RHB GOLD AND GENERAL FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

- (d) Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

OTHER MATTERS

This report is made solely to the unit holders of the Fund and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
21 August 2023

CORPORATE INFORMATION

MANAGER

RHB Asset Management Sdn Bhd

REGISTERED OFFICE

Level 10, Tower One, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur

PRINCIPAL AND BUSINESS OFFICE

Level 8, Tower Two & Three, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur

Email address: rhbam@rhbgroup.com

Tel: 03-9205 8000

Fax: 03-9205 8100

Website: www.rhbgroup.com

BOARD OF DIRECTORS

Mr Yap Chee Meng (*Independent Non-Executive Chairman*)

(*Resigned with effect from 22 May 2023*)

Mr Chin Yoong Kheong (*Independent Non-Executive Chairman*)

(*Redesignated with effect from 22 May 2023*)

YBhg Dato' Darawati Hussain (*Senior Independent Non-Executive Director*)

(*Redesignated with effect from 22 May 2023*)

Tuan Syed Ahmad Taufik Albar (*Non-Independent Non-Executive Director*)

Mohd Farid Bin Kamarudin (*Chief Executive Officer / Managing Director*)

(*Appointed with effect from 1 August 2023*)

Puan Hijah Arifakh Binti Othman (*Independent Non-Executive Director*)

(*Appointed with effect from 30 September 2022*)

(*Resigned with effect from 1 June 2023*)

Puan Sharizad Binti Juma'at (*Independent Non-Executive Director*)

(*Appointed with effect from 22 May 2023*)

INVESTMENT COMMITTEE MEMBERS

Mr Yap Chee Meng (*Independent Chairman*)

(*Resigned with effect from 22 May 2023*)

YBhg Dato' Darawati Hussain (*Independent Chairperson*)

(*Redesignated with effect from 22 May 2023*)

Puan Hijah Arifakh Binti Othman

(*Appointed with effect from 30 September 2022*)

(*Resigned with effect from 1 June 2023*)

Mr Chin Yoong Kheong (*Appointed with effect from 22 May 2023*)

Puan Sharizad Binti Juma'at (*Appointed with effect from 22 May 2023*)

CHIEF EXECUTIVE OFFICER / MANAGING DIRECTOR

Mohd Farid Bin Kamarudin (*Appointed with effect from 1 August 2023*)

CORPORATE INFORMATION (CONTINUED)

SECRETARIES

Encik Azman Shah Md Yaman (LS No. 0006901)

Izafaniz Binti Abdullah Kamir (MACS01851)

Filza Zainal Abidin (LS No: 0008413)

BRANCH OFFICE

- Shah Alam Office** B-3-1, 1st Floor
Jalan Serai Wangi G16/G, Alam Avenue
Persiaran Selangor, Section 16
40200 Shah Alam
Tel: 03-5523 1909 Fax: 03-5524 3471
- Sri Petaling Office** Level 1 & 2, No 53 Jalan Radin Tengah
Bandar Baru Seri Petaling
57000 Kuala Lumpur
Tel: 03-9054 2470 Fax: 03-9054 0934
- Ipoh Office** No.7A, Persiaran Greentown 9
Pusat Perdagangan Greentown
30450 Ipoh, Perak
Tel: 05-242 4311 Fax: 05-242 4312
- Johor Bahru Office** No 34 Jalan Kebun Teh 1
Pusat Perdagangan Kebun Teh
80250 Johor Bahru, Johor
Tel: 07-221 0129 Fax: 07-221 0291
- 2nd Floor, 21 & 23
Jalan Molek 1/30, Taman Molek
81100 Johor Bahru, Johor
Tel: 07-358 3587 Fax: 07-358 3581
- Kuantan Office** 1st Floor, Lot 10, Jalan Putra Square 1
Putra Square
25300 Kuantan, Pahang
Tel: 09-517 3611/ 09-517 3612/ 09-531 6213
Fax: 09-517 3615
- Kuching Office** Lot 133, Section 20, Sublot 2 & 3
1st Floor, Jalan Tun Ahmad Zaidi Adruce
93200 Kuching, Sarawak
Tel: 082-550 838 Fax: 082-550 508
- Yung Kong Abell, Units 1-10
2nd Floor Lot 365
Section 50 Jalan Abell
93100 Kuching, Sarawak
Tel: 082-245 611 Fax: 082-230 326

Kota Bharu Office	Ground Floor, No 3486-G Jalan Sultan Ibrahim 15050 Kota Bharu, Kelantan Tel: 09-740 6891 Fax: 09-740 6890
Kota Kinabalu Office	Lot No. C-02-04, 2nd Floor Block C, Warisan Square Jalan Tun Fuad Stephens 88000 Kota Kinabalu Sabah Tel: 088-528 686/088-528 692 Fax: 088-528 685
Melaka Office	581B, Taman Melaka Raya 75000 Melaka Tel: 06-284 4211/06-281 4110 Fax: 06-292 2212
Penang Office	3rd Floor, 44 Lebuhraya Georgetown, 10300 Penang Tel: 04-264 5639 Fax: 04-264 5640
Prai Office	No 38, First Floor Jalan Todak 2 Seberang Jaya 13700 Perai, Penang Tel: 04-386 6670 Fax: 04-386 6528

TRUSTEE	HSBC (Malaysia) Trustee Berhad
BANKER	RHB Bank Berhad
AUDITORS	PricewaterhouseCoopers PLT
TAX ADVISER	PricewaterhouseCoopers Taxation Services Sdn Bhd
DISTRIBUTORS	RHB Asset Management Sdn Bhd RHB Bank Berhad RHB Investment Bank Berhad Affin Bank Berhad Alliance Bank Berhad AmBank (M) Berhad AmInvestment Bank Berhad Areca Capital Sdn Bhd CIMB Bank Berhad CIMB Wealth Advisors Berhad Genexus Advisory Sdn Bhd Hong Leong Bank Berhad HSBC Bank (Malaysia) Berhad iFAST Capital Sdn Bhd Kenanga Investors Berhad Manulife Asset Management Services Berhad Phillip Mutual Berhad Standard Chartered Bank Malaysia Berhad Standard Financial Adviser Sdn Bhd TA Investment Management Berhad United Overseas Bank (Malaysia) Berhad UOB Kay Hian Securities (M) Sdn Bhd

RHB  **Asset Management**

RHB Asset Management Sdn Bhd 198801007231 (174588-X)

Head Office

Level 8, Tower 2 & 3,

RHB Centre, Jalan Tun Razak,

50400 Kuala Lumpur

Tel: +603 9205 8000

Fax: +603 9205 8100

www.rhbgroup.com