

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt about the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

This is an exempt circular pursuant to Practice Note 18 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and Bursa Securities has not perused this Circular before its issuance.

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## **ABF Malaysia Bond Index Fund**

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

### **CIRCULAR TO UNIT HOLDERS IN RELATION TO THE PROPOSED CHANGE OF DISTRIBUTION POLICY OF THE ABF MALAYSIA BOND INDEX FUND**

**AND**

### **NOTICE OF UNIT HOLDERS' ADJOURNED MEETING**

**Manager**



**AmFunds Management Berhad**

*Registration No.: 198601005272 (154432-A)*

The notice of Unit Holders' adjourned meeting of the ABF Malaysia Bond Index Fund ("**Unit Holders' Adjourned Meeting**") and the form of proxy for the Unit Holders' Adjourned Meeting are enclosed in this Circular. The details of the Unit Holders' Adjourned Meeting are as follows:

Date and time of the Unit Holders' Adjourned Meeting : Wednesday, 29 May 2024 at 10.00 a.m.

Venue : Level 7, Dewan AmBank Group, Bangunan AmBank Group, No. 55, Jalan Raja Chulan, 50200 Kuala Lumpur

Last date and time for lodging the form of proxy : Monday, 27 May 2024 at 10.00 a.m.

A Unit Holder entitled to attend and vote at the Unit Holders' Adjourned Meeting is entitled to appoint a proxy or proxies to attend and vote at the Unit Holders' Adjourned Meeting on his/her behalf. The form of proxy must be lodged at the office of the registrar, AmFunds Management Berhad at 9<sup>th</sup> Floor, Bangunan AmBank Group, No. 55, Jalan Raja Chulan, 50200 Kuala Lumpur not less than forty-eight (48) hours before the time stipulated for the Unit Holders' Adjourned Meeting, i.e., by the last date and time for lodging the form of proxy stipulated above.

This Circular is dated 1 April 2024



## DEFINITIONS

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The following definitions shall apply throughout this Circular unless the context requires otherwise or where otherwise defined herein:

Board	: Board of directors of the Manager
Circular	: This circular to Unit Holders in relation to the Proposal
Deed	: The deed dated 12 July 2005 (as amended by the supplemental deed dated 30 June 2006, the supplemental deed dated 20 June 2007, the second supplemental deed dated 24 February 2015, the third supplemental deed dated 16 November 2020 and the fourth supplemental deed dated 1 August 2023) entered into between the Manager, the Trustee and the Unit Holders constituting the Fund
Fund	: ABF Malaysia Bond Index Fund
LPD	: 29 February 2024, being the latest practicable date prior to the printing of this Circular
Manager	: AmFunds Management Berhad [Registration No.: 198601005272 (154432-A)], being the management company for the Fund
Proposal	: The proposed change of distribution policy of the Fund
Trustee	: HSBC (Malaysia) Trustee Berhad [Registration No.: 193701000084 (1281-T)], being the trustee for the Fund
Unit	: An undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder and means a unit of the Fund
Unit Holder	: Any person registered as holding a Unit in accordance with the provisions of the Deed

All references to “you” in this Circular are to the Unit Holders of the Fund.

Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include companies and corporations, and a reference to a section is a reference to the relevant section of this Circular.

Any reference in this Circular to an enactment or guidelines is a reference to that enactment or guidelines as for the time being amended or re-enacted.

Any reference to a time or day in this Circular shall be reference to Malaysian time or day, unless otherwise stated.

All the information set out in this Circular is presented as at the LPD, unless otherwise stated.

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## **ABF Malaysia Bond Index Fund**

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

### **Registered Office of the Manager**

22<sup>nd</sup> Floor, Bangunan AmBank Group  
No. 55, Jalan Raja Chulan  
50200 Kuala Lumpur  
Malaysia

### **Business Office of the Manager**

9<sup>th</sup> Floor, Bangunan AmBank Group  
No. 55, Jalan Raja Chulan  
50200 Kuala Lumpur  
Malaysia

### **Board of Directors of the Manager**

Jeyaratnam A/L Tamotharam Pillai (*Chairman, Independent Director*)

Arnold Lim Boon Lay (*Independent Director*)

Jas Bir Kaur A/P Lol Singh (*Independent Director*)

Ng Chih Kaye (*Independent Director*)

Goh Wee Peng (*Non-Independent Director*)

### **To: The Unit Holders**

Dear Sir/Madam,

### **PROPOSED CHANGE OF DISTRIBUTION POLICY OF THE FUND**

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#### **1. INTRODUCTION**

Currently, the Fund only declares distribution out of its realised gains or realised income. Income distribution, if any, will be on a semi-annual basis.

The Manager is proposing to change the distribution policy of the Fund to allow the Fund to declare distribution out of the Fund's capital in addition to the Fund's realised gains or realised income.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSAL AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION TO GIVE EFFECT TO THE PROPOSAL TO BE TABLED AT THE FORTHCOMING UNIT HOLDERS' ADJOURNED MEETING. THE NOTICE OF UNIT HOLDERS' ADJOURNED MEETING AND THE FORM OF PROXY FOR THE UNIT HOLDERS' ADJOURNED MEETING ARE ENCLOSED TOGETHER WITH THIS CIRCULAR.**

**YOU ARE ADVISED TO READ AND CONSIDER THE CONTENTS OF THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE RESOLUTION TO GIVE EFFECT TO THE PROPOSAL TO BE TABLED AT THE FORTHCOMING UNIT HOLDERS' ADJOURNED MEETING.**

## **2. DETAILS OF THE PROPOSAL**

### **2.1 Proposed Change of the Distribution Policy of the Fund**

Based on the Fund's history of income distribution, the Fund has generally been declaring income distribution, whenever it is able to, and the Manager intends to continue doing so. The proposed distribution out of the Fund's capital would allow the Fund the ability to continue distributing income on a semi-annual basis to the Unit Holders, whenever appropriate, from the Fund's undistributed income accumulated from previous financial years, unrealised income and/or unrealised gains. Although the Manager intends to declare distribution from the Fund's realised gains and realised income, the Manager would like to also have the flexibility to: (i) declare distribution out of capital for the Fund when the Fund has insufficient realised gains or realised income to do so, or (ii) increase the amount of distributable income to the Unit Holders after taking into consideration the investment objective of the Fund and the risk of distributing out of capital for the Fund.

If the resolution is passed, and if the Fund declares distribution out of its capital, Unit Holders should be aware that the Fund's capital will be eroded, the distribution is achieved by foregoing the potential for future capital growth and this cycle may continue until all capital is depleted. The greater the risk of capital erosion that exists, there is likelihood that, due to capital erosion, the value of future returns would also be diminished.

The Manager is of the view that the Proposal may affect the interests of Unit Holders as it may reduce the Fund's capital available for future investment and subsequently affect the value of the Unit Holders' investments in the Fund. Accordingly, the resolution proposed to give effect to the Proposal would require approval by not less than two-thirds (2/3) of all Unit Holders present in person or by proxy at the Unit Holders' Adjourned Meeting.

The resolution, if passed, will allow the Manager and/or the Trustee to do all such things necessary to give effect to the Proposal.

## **3. UNIT HOLDERS' ADJOURNED MEETING**

The Unit Holders' Adjourned Meeting, the notice of which is enclosed with this Circular, will be held at **Level 7, Dewan AmBank Group, Bangunan AmBank Group, No. 55 Jalan Raja Chulan, 50200 Kuala Lumpur** on **Wednesday, 29 May 2024** at **10.00 a.m.** for the purpose of considering and if thought fit, to pass with or without modification, the resolution so as to give effect to the Proposal.

The resolution will be put to vote by way of poll and the Manager will appoint at least one (1) scrutineer to validate the votes cast at the Unit Holders' Adjourned Meeting.

For further information, please refer to the notice of Unit Holders' Adjourned Meeting and the form of proxy for the Unit Holders' Adjourned Meeting enclosed together with this Circular.

## **4. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the Deed are available for inspection at the business office of the Manager during normal business hours (except public holidays) from the date of this Circular up to and including the date of the forthcoming Unit Holders' Adjourned Meeting.

Yours faithfully  
For and on behalf of the Board of  
**AmFunds Management Berhad**

**Goh Wee Peng**  
Chief Executive Officer



## ABF MALAYSIA BOND INDEX FUND

### NOTICE OF UNIT HOLDERS' ADJOURNED MEETING

Following the lack of a quorum at the meeting of the Unit Holders of the **ABF Malaysia Bond Index Fund** (hereinafter referred to as the "**Fund**") that had taken place on 6 March 2024 at 10.00 a.m., NOTICE IS HEREBY GIVEN for the convening of an adjourned meeting of the Unit Holders of the Fund by the manager of the Fund, AmFunds Management Berhad (hereinafter referred to as the "**Manager**"), pursuant to Paragraph 1 of the Second Schedule to the deed dated 12 July 2005 (as amended by the supplemental deed dated 30 June 2006, the supplemental deed dated 20 June 2007, the second supplemental deed dated 24 February 2015, the third supplemental deed dated 16 November 2020 and the fourth supplemental deed dated 1 August 2023) governing the Fund (hereinafter collectively referred to as the "**Deed**").

The adjourned meeting will be held at **Level 7, Dewan AmBank Group, Bangunan AmBank Group, No. 55 Jalan Raja Chulan, 50200 Kuala Lumpur** on **Wednesday, 29 May 2024** at **10.00 a.m.** to consider and, if thought appropriate by the Unit Holders, to pass the following resolution:-

#### RESOLUTION

##### Change of Distribution Policy of the Fund

That authority be and is hereby given to the Manager to change the distribution policy of the Fund to allow the Fund to declare distribution out of its capital and that FURTHER the Manager and/or the trustee of the Fund shall be authorised to do all such things necessary to give effect to the change of distribution policy of the Fund in accordance with the relevant laws, the guidelines, the provisions of the Deed and the Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad.

#### Notes:

- (i) ***This Resolution is required to be passed by not less than two-thirds (2/3) of all the Unit Holders present and voting at the adjourned meeting in person or by proxy.***
- (ii) ***The Unit Holders present at the adjourned meeting whatever their number and the number of Units held by them will form a quorum after reasonable time has passed from the convening of the adjourned meeting.***

*The attention of the Unit Holders is drawn to the following clauses of the Deed:*

#### Paragraph 5 of the Second Schedule

- (a) *The quorum required for a meeting of the Holders shall be five (5) Holders, whether present in person or by proxy; however, if the Trust has five (5) or less Holders, the quorum required for a meeting of the Holders, shall be two (2) Holders, whether present in person or by proxy.*
- (b) *If the meeting has been convened for the purpose of voting on a Special Resolution, the Holders present in person or by proxy must hold in aggregate at least twenty-five per centum (25%) of the Units in circulation of the Trust at the time of the meeting.*

- (c) *If the Trust has only one (1) remaining Holder, such Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Holders.*

Paragraph 6 of the Second Schedule

*If within half an hour from the time appointed for the meeting a quorum is not present, the meeting if convened upon the requisition of Holders shall be dissolved. In any other case it shall stand adjourned to such day and time not being less than seven (7) days thereafter and to such place as may be appointed by the chairman of the meeting; and at such adjourned meeting the Holders present in person or by proxy shall be a quorum (irrespective of the number of Holders present or number of Units they hold) for transaction of business including the passing of Special Resolutions. At least seven (7) days' notice of any adjourned meeting of Holders shall be given in the same manner as for an original meeting and such notice shall state that the Holders present in person or by proxy at the adjourned meeting whatever their number and the number of Units held by them will form a quorum after reasonable time has passed from the convening of the meeting.*

Paragraph 10 of the Second Schedule

*Every Holder (being an individual) who is present in person or by proxy or (being a corporation) is present by one of its representatives or by proxy shall have one vote for every Unit of which he or it is the Holder and need not cast all the votes to which he or it is entitled in the same way.*

Paragraph 11 of the Second Schedule

*Each Holder shall be entitled to attend and vote at any meeting of Holders, and shall be entitled to appoint an advocate, an approved company auditor or a person approved by the Companies Commission of Malaysia as his proxy to attend and vote. Where the Holder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each securities account it holds with units standing to the credit of the said securities account. Where a Holder appoints two (2) proxies in accordance with this provision the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. Such proxy shall have the same rights as the member to vote whether on a poll or a show of hands, to speak and to be reckoned in a quorum.*

Paragraph 12 of the Second Schedule

*The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under the Seal or under the hand of an officer or attorney authorised in writing. A person appointed to act as proxy need not be a Holder.*

Paragraph 13 of the Second Schedule

*The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of authority shall be deposited at such place as the Trustee or the Manager with the approval of the Trustee may in the notice convening the meeting direct or if no such place is appointed then at the registered office of the Registrar not less than forty eight (48) hours before the time appointed for taking of the poll at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution. For the avoidance of doubt, the instrument appointing a proxy shall be deemed to be deposited at the office of the Manager if it is sent by e-mail or such other digital or electronic medium to the Manager at the e-mail address or such other digital or electronic medium notified by the Manager in the notice of meeting or adjourned meeting, as the case may be.*

Paragraph 20 of the Second Schedule

*Every question arising at a general meeting of Holders shall be decided by a poll.*

Paragraph 21 of the Second Schedule

*Upon any question decided by a poll, each Holder present in person or by proxy shall have one vote for each fully paid Unit.*

An instrument of proxy is enclosed herewith and should, if used, be deposited at the office of the registrar, AmFunds Management Berhad at **9<sup>th</sup> Floor, Bangunan AmBank Group, No. 55 Jalan Raja Chulan, 50200 Kuala Lumpur** by **10.00 a.m. on Monday, 27 May 2024**. The instrument of proxy may also be deposited electronically by submitting the same to the Manager at **enquiries@aminvest.com** by the date and time mentioned above.

If you have any queries, please contact our client service staff at 03-2032 2888.

For and on behalf of the Manager,  
**AMFUNDS MANAGEMENT BERHAD**

**Goh Wee Peng**  
Chief Executive Officer

*Encl: Form of proxy*  
*cc. 1. HSBC (Malaysia) Trustee Berhad*  
*2. Securities Commission Malaysia*

*(THIS IS A COMPUTER GENERATED LETTER, NO SIGNATURE IS REQUIRED)*

**ABF Malaysia Bond Index Fund**

**FORM OF PROXY**

<b>Number of shares</b>	<b>CDS Account No.:</b>

I .....  
 (Full Name in Capital Letters)  
 NRIC No.: /Registration No.: ..... of .....  
 .....  
 (Full Address)

being Unit Holder of Units of and in the exchange-traded fund known as **ABF Malaysia Bond Index Fund ("Fund")** hereby appoints.....  
 .....  
 (Full Name in Capital Letters)

NRIC No.: / Passport No.: ..... of .....  
 .....  
 (Full Address)

and/or failing him/her .....  
 (Full Name in Capital Letters)

NRIC No.: / Passport No.: ..... of .....  
 .....  
 (Full Address)

or failing him/her, the chairman of the adjourned meeting, to be my proxy to vote for me and on my behalf at the adjourned meeting of Unit Holders to be held at **Level 7, Dewan AmBank Group, Bangunan AmBank Group, No. 55 Jalan Raja Chulan, 50200 Kuala Lumpur** at **10.00 a.m. on Wednesday, 29 May 2024** and at any adjournment thereof. My said proxy has my instructions to vote as indicated with an "X" or "✓" in respect of the following resolution set out below:-

	<b>RESOLUTION</b>	<b>FOR</b>	<b>AGAINST</b>
1.	<p><b>Change of Distribution Policy of the Fund</b></p> <p>That authority be and is hereby given to the Manager to change the distribution policy of the Fund to allow the Fund to declare distribution out of its capital and that FURTHER the Manager and/or the trustee of the Fund shall be authorised to do all such things necessary to give effect to the change of distribution policy of the Fund in accordance with the relevant laws, the guidelines, the provisions of the Deed and the Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad.</p>		



2. *If a Unit Holder wishes to digitally sign on this form of proxy, the Unit Holder shall ensure that this form of proxy is signed using any commercially available electronic signing software in accordance with the requirements under paragraph 5.02(a) of the Guidelines on Use of Electronic Signature issued by the Securities Commission Malaysia (“Guidelines”). Please contact the Manager to understand the requirements of the Guidelines prior to signing on this form of proxy digitally.*
3. *For the purpose of determining the Unit Holders’ eligibility to attend the Unit Holders’ adjourned meeting, only Unit Holder whose name appears in the Record of Depositors as at **20 May 2024** shall be entitled to attend and vote at the Unit Holders’ adjourned meeting or appoint proxy(ies) to attend the Unit Holders’ adjourned meeting and/or vote on his/her behalf.*
4. *Where the Unit Holder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with units standing to the credit of the said securities account.*
5. *Any Unit Holder being a corporation may by resolution of its directors or other governing body authorise any person to act as its representative at any meeting of Unit Holders, and a person so authorised shall at such meeting be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual Unit Holder.*

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STAMP

**AmFunds Management Berhad**  
(Registration No.: 198601005272 [154432-A])  
9<sup>th</sup> Floor, Bangunan AmBank Group  
No. 55, Jalan Raja Chulan  
50200 Kuala Lumpur