



## **FIRST SUPPLEMENTARY PROSPECTUS OF PMB SHARIAH ASEAN STARS EQUITY FUND**

**This First Supplementary Prospectus of PMB Shariah ASEAN Stars Equity Fund dated 14 September 2018 (“First Supplementary Prospectus”) must be read together with the Prospectus of PMB Shariah ASEAN Stars Equity Fund dated 28 March 2018 (“Prospectus”).**

Date of Constitution: 3 July 2017

**Manager** : PMB Investment Berhad (256439 – D)  
**Trustee** : CIMB Islamic Trustee Berhad (167913-M)

**INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS FIRST SUPPLEMENTARY PROSPECTUS AND THE PROSPECTUS OF PMB SHARIAH ASEAN STARS EQUITY FUND. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.**

**FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE “RISK FACTORS” COMMENCING ON PAGE 12 OF THE PROSPECTUS OF PMB SHARIAH ASEAN STARS EQUITY FUND.**

**THIS FIRST SUPPLEMENTARY PROSPECTUS DATED 14 SEPTEMBER 2018 IS TO BE READ IN CONJUNCTION WITH THE PROSPECTUS OF PMB SHARIAH ASEAN STARS EQUITY FUND DATED 28 MARCH 2018.**

## **RESPONSIBILITY STATEMENT**

This First Supplementary Prospectus has been reviewed and approved by the directors of PMB Investment Berhad and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, there are no false or misleading statements, or omission of other facts which would make any statement in this First Supplementary Prospectus false or misleading.

## **STATEMENT OF DISCLAIMER**

The Securities Commission Malaysia has authorised PMB Shariah ASEAN Stars Equity Fund ("Fund") and a copy of this First Supplementary Prospectus has been registered with the Securities Commission Malaysia.

The authorisation of the Fund, and the registration of this First Supplementary Prospectus, should not be taken to indicate that the Securities Commission Malaysia recommends the said Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in the Prospectus of the Fund or this First Supplementary Prospectus.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of PMB Investment Berhad responsible for the said Fund and takes no responsibility for the contents in this First Supplementary Prospectus. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this First Supplementary Prospectus, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

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

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

**PMB Shariah ASEAN Stars Equity Fund has been certified as being Shariah-compliant by the Shariah Adviser appointed for the Fund.**

**I. ANNOUNCEMENT**

This First Supplementary Prospectus dated 14 September 2018 (referred to herein as “First Supplementary Prospectus”) is issued to reflect the amendments made to the Prospectus of PMB Shariah ASEAN Stars Equity Fund dated 28 March 2018 (referred to herein as “Prospectus”) as stated under Section II below.

Unless otherwise provided in this First Supplementary Prospectus, all the capitalised terms used herein shall have the same meanings ascribed to them in the Prospectus of the Fund.

**II. AMENDMENTS AND CHANGES**

Information disclosed in the Prospectus dated 28 March 2018 shall remain unchanged except as specified below:-

**A. SECTION 3. THE FUND**

The information in Section 3.13 **Shariah Approval Process** which is disclosed in page 19-20 of the Prospectus is hereby deleted in its entirety and substituted with the following:

**3.13 Shariah Approval Process**

The investment portfolio of the Fund must invest only in Shariah-compliant securities/instruments. As a general rule, for investment in equities in Malaysia, we use the approved list of Shariah-compliant securities issued by the SAC of the SC, in May and November every year. However, in cases where the status of securities has not been determined by the SAC of the SC due to reasons such as initial public offer, the interim status of the securities will be determined by our Shariah Adviser in accordance with the SAC of the SC screening methodology until such time when the SAC of the SC issues its ruling on the securities.

The SAC of the SC’s screening methodology is as below –

<b>Basis</b>	<b>Description</b>	<b>Benchmark</b>
Business Activity	<ul style="list-style-type: none"> <li>• Conventional banking;</li> <li>• Conventional insurance</li> <li>• Gambling;</li> <li>• Liquor and liquor-related activities;</li> <li>• Pork and pork-related activities;</li> <li>• Non-halal food and beverages;</li> <li>• Shariah non-compliant entertainment;</li> <li>• Tobacco and tobacco-related activities;</li> <li>• Interest income from conventional accounts and instruments (including interest income awarded arising from a court judgement or arbitrator);</li> <li>• Dividends from Shariah non-compliant investments; and</li> <li>• Other activities deemed non-compliant according to Shariah.</li> </ul>	The contribution of Shariah non-compliant businesses/activities to the Group revenue or Group profit before taxation of the company must be less than five percent (5%).

**THIS FIRST SUPPLEMENTARY PROSPECTUS DATED 14 SEPTEMBER 2018 IS TO BE READ IN CONJUNCTION WITH THE PROSPECTUS OF PMB SHARIAH ASEAN STARS EQUITY FUND DATED 28 MARCH 2018.**

	<ul style="list-style-type: none"> <li>• Share trading;</li> <li>• Conventional stockbroking business;</li> <li>• Rental received from Shariah non-compliant activities; and</li> <li>• Other activities deemed non-compliant according to Shariah.</li> </ul>	The contribution of Shariah non-compliant businesses/activities to the Group revenue or Group profit before taxation of the company must be less than twenty percent (20%).
Financial Ratio	<p>(i) Cash over total assets</p> <p>Cash only includes cash placed in conventional accounts and instruments, whereas cash placed in Islamic accounts and instruments is excluded from the calculation.</p> <p>(ii) Debt over total assets</p> <p>Debt only includes interest-bearing debt whereas Islamic financing or sukuk is excluded from the calculation.</p>	Each ratio, which is intended to measure usury (riba) and riba-based elements within a company's statements of financial position, must be less than thirty three percent (33%).

In addition to the above, the qualitative aspect which involves public perception or image of the company's activities from the perspective of Islamic teaching will also be taken into account.

For investments in foreign Shariah-compliant equities, we refer to the list of securities screened using Shariah screening methodology issued by the SAC of the SC and approved by the Shariah Adviser. The decision of the Shariah Adviser is final subject to accuracy of information made available by the Fund.

The investment portfolio of the Fund will comprise securities or instruments that have been classified as Shariah compliant by the SAC of the SC and/or the SAC of BNM. For securities or instruments that are not classified as Shariah compliant by the SAC of the SC and/or the SAC of BNM, the status of the securities or instruments will be determined in accordance with the ruling issued by the Shariah Adviser of the Fund.

**B. SECTION 5 – TRANSACTION INFORMATION**

The information in **Section 5.2(d)(iv)** of the Prospectus in relation to the “**Mode of Payment (for USD Class)**” which is disclosed in page 31 of the Prospectus is hereby deleted in its entirety and substituted with the following:

- **Telegraphic transfer**

You may transfer the amount payable directly into our bank account via telegraphic transfer. Please include your name in the transaction description where applicable for reference.

Details of our principal bank accounts are as below –

Bank	Account Number
CIMB Islamic Bank Bhd	860295646240

Any charges or fees imposed by financial institutions relating to your payment to us will be borne by you.

**Investors must not make payment in cash to any individual Unit Trust Consultants when purchasing units of the Fund.**

### **C. SECTION 6 - THE MANAGER**

- 1) The information in **Section 6.1 - Manager's Profile** which is disclosed in page 36 of the Prospectus is hereby deleted in its entirety and substituted with the following:

PMB Investment Berhad (PMB Investment) is a wholly owned subsidiary of Pelaburan MARA Berhad (PMB). It is licensed under the CMSA as an Islamic fund management company. Incorporated on 15 January 1993 under the Companies Act, 1965, PMB Investment assumed the unit trust operations from PMB, then known as Amanah Saham MARA Berhad (ASMB), and its related staff, following the requirement of the Securities Commission Malaysia Act, 1993 that unit trust funds are to be managed by a unit trust management company. On that premise, PMB Investment has been managing unit trust funds since 1968 when it launched its first unit trust fund, then known as Kumpulan Modal Bumiputera Yang Pertama, on 6 April 1968, which is now known as PMB Dana Al-Aiman. Currently, PMB Investment manages fifteen (15) unit trust funds, two (2) wholesale funds and a number of private mandate funds.

#### **Board of Directors**

- |       |  |                       |
|-------|--|-----------------------|
| (i)   | Dato' Sri Haji Abd. Rahim bin Haji Abdul | - Independent         |
| (ii)  | Professor Dr. Faridah binti Haji Hassan  | - Independent         |
| (iii) | Haji Mansoor bin Ahmad                   | - Independent         |
| (iv)  | Nik Mohamed Zaki bin Nik Yusoff          | - Independent         |
| (v)   | Najmi bin Haji Mohamed                   | - Non-Independent/CEO |

- 2) The information in **Section 6.5 (a) - Investment Committee members** which is disclosed in page 37 of the Prospectus is hereby deleted in its entirety and substituted with the following:

#### **a) Investment Committee Members**

- |       |  |                        |
|-------|--|------------------------|
| (i)   | Haji Mansoor bin Ahmad                         | - Independent/Chairman |
| (ii)  | Nik Mohamed Zaki bin Nik Yusoff                | - Independent          |
| (iii) | Professor Dr. Mohamed Aslam bin Mohamed Haneef | - Independent          |

- 3) The information in **Section 6.6 (a) - Profile of the Shariah Adviser** which is disclosed in page 38 of the Prospectus is hereby deleted in its entirety and substituted with the following:

#### **a) Profile of the Shariah Adviser**

BIMB Securities Sdn Bhd (BIMBSEC) is a stockbroking subsidiary of BIMB Holdings Bhd. It was incorporated on 21 February 1994.

The company's corporate mission is to actively participate in a modern, innovative and dynamic Islamic capital market in Malaysia, catering for the needs of both Muslim and Non-Muslim investors looking for Shariah-compliant products and services. BIMBSEC is a Shariah Adviser to 38 Islamic unit trust funds and is a registered Shariah Adviser with the SC. As at 30 June 2018, the staff strength of BIMBSEC consists of 70 employees of whom 65 are executive staff and the rest are non-executive staff.

The company has an authorised share capital of MYR250 million, and its current issued and paid-up share capital is MYR100 million.

- 4) The information in **Section 6.6 (b) - Designated Person Responsible for Shariah Matters** which is disclosed in page 38-39 of the Prospectus is hereby deleted in its entirety and substituted with the following:

**b) Designated Person Responsible for Shariah Matters**

**Ir. Dr. Muhamad Fuad bin Abdullah**

Ir. Dr. Muhamad Fuad, the designated person in-charge of all Shariah matters in BIMBSEC is appointed on 1 June 2011. On the same day he was also appointed to the Shariah Advisory Committee of BIMBSEC.

He graduated with a Bachelor of Science Degree in Electrical Engineering in 1977 and a Master of Philosophy Degree in Electrical Engineering in 1982, both from the University of Southampton, England. He also obtained a Bachelor of Arts (Jayyid) Degree in Shariah from the University of Jordan in 1994 and a Doctor of Philosophy in Muslim Civilization from the University of Aberdeen, Scotland in 1996.

Currently Dr. Muhamad Fuad serves as the Chairman of the Shariah Committee of MIDF Group of Companies. He is also a registered Shariah Adviser with the SC.

He sits on the boards of Gagasan Nadi Cergas Berhad, Mesiniaga Berhad, PNB Commercial Sdn Bhd, Universiti Tun Abdul Razak Sdn Bhd, Universiti Sains Islam Malaysia (USIM), USIM Tjjarah Holdings Sdn Bhd and Institut Kefahaman Islam Malaysia (IKIM), a public company limited by guarantee.

Until early this year, Dr. Muhamad Fuad has been an EXCO member of the Association of Shariah Advisers for Islamic Finance (ASAS) since its inception in 2012. He now chairs the Association's Professional Development Committee. He is the Chairman of the Advisory Panel of the Faculty of Shariah and Law of USIM since 4th October 2016.

Dr. Muhamad Fuad is a recipient of the National Book Award 2015 for his book published by IKIM entitled "The influence of Islam Upon Classical Arabic Scientific Writings: An examination of the Extent of Their Reference to Quran, Hadith and Related Texts".

Dr. Muhamad Fuad is the designated Shariah person in-charge of PMB Investment's funds.

**For detailed information on the Manager, Investment Committee and Shariah Adviser, please visit our website [www.pmbinvestment.com.my](http://www.pmbinvestment.com.my).**

**THIS FIRST SUPPLEMENTARY PROSPECTUS DATED 14 SEPTEMBER 2018 IS TO BE READ IN CONJUNCTION WITH THE PROSPECTUS OF PMB SHARIAH ASEAN STARS EQUITY FUND DATED 28 MARCH 2018.**

**III. STATEMENT OF CONSENT**

The Trustee and Shariah Adviser for the Fund have given their consent in writing before the issuance of this First Supplementary Prospectus to act in that capacity in relation to the Fund's Prospectus and this First Supplementary Prospectus and those consents have been lodged with the Securities Commission Malaysia and have not been subsequently withdrawn.

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