ASIA SECURITIES

INTEGRITY | INSIGHT | INNOVATION

Asia Securities Dynamic Income Fund

KEY INVESTOR INFORMATION DOCUMENT 2025

No.349, Lee Hedges Tower,
Galle Road, Colombo 3

ASIA SECURITIES DYNAMIC INCOME FUND
KEY INVESTOR INFORMATION DOCUMENT 2025

ASIA SECURITIES
INTEGRITY | INSIGHT | INNOVATION

KEY FACTS

FUND NAME	Asia Securities Dynamic Income Fund
TYPE	Open Ended Fixed Income Fund
FUND MANAGER	Asia Securities Wealth Management (Pvt) Ltd.
TRUSTEE/CUSTODIAN	Deutsche Bank AG
INVESTABLE ASSETS	High quality corporate debt instruments, government securities and securities issued by banks and non banking financial institutions This also includes both short term(<397 days) and long term fixed income investments with residual maturity of more than 397 days.
MINIMUM INVESTMENT	LKR 100,000
MANAGEMENT FEE*	0.30% per annum of the Net Asset Value
TRUSTEE FEE*	0.15% per annum of the Net Asset Value
CUSTODIAN FEE*	LKR 240,000 per annum
FRONT-END FEE	None
EXIT FEE	2% (1Yr) 1% (2Yr) on the Buying Price
OTHER EXPENSES	Applicable expenses of the fund which are approved by the SEC are paid by the fund and are indirectly borne by unit holders
INVESTOR ELIGIBILITY	Individuals, corporates, institutions, non-residents, foreign individual investors, and foreign institutional investors
BORROWINGS	Shall not exceed the percentage of the net asset value as determined by the Commission by way of directives, and will be for a period not exceeding three calendar months. Borrowings will not be used to leverage investment return The Fund will not assume, guarantee, endorse or otherwise become directly or indirectly liable for or in connection with any obligation or indebtedness of any third party
LENDING	Shall not engage in any form of direct lending of any part of the assets of the Fund
LIABILITY OF UNIT HOLDERS	Limited to the amount of the NAV of the units held by each unit Holder
TAX LIABILITY	Fund is not liable for income tax in accordance with inland revenue (amended) Act 10 of 2021. Investors should consult professional tax consultants with regard to implications of investing in unit trust funds.

*Taxes may be applicable

ASIA SECURITIES
INTEGRITY | INSIGHT | INNOVATION

KEY INVESTOR INFORMATION DOCUMENT

1. WHAT IS THE INVESTMENT OBJECTIVE?
   The investment objective is to optimize income at low to medium levels of risk through investments only in BBB or above rated corporate debt instruments and government securities.

2. WHERE WILL THE FUNDS BE INVESTED IN?
   The fund may invest into the following fixed income instruments which includes both short term (<397 days) and long term fixed income instruments with a residual maturity of more than 397 days.

Fund investments

Issuer	Types of instruments	Allocation
Government of Sri Lanka/ Central Bank of Sri Lanka	Treasury bills, bonds, and other fixed income instruments	Max of 80%, Min 10%
Banking and financial sector including non-banking financial institutions	Deposits, debentures, asset backed securities, commercial paper, fixed deposits, and other fixed income instruments	Max of 80%, Min 5%
Corporate sector	Debentures, assets backed securities and commercial paper with a BBB or above rating from any rating agency licensed by SEC	Max of 80%, Min 5%
Other	Repurchase or reverse repurchase transactions on all fixed income instruments and any other investment approved by the SEC and the Trustee	Max of 60%, Min 5%

KEY INVESTOR INFORMATION DOCUMENT

3. WHAT IS THE VALUATION METHOD ADOPTED BY THE FUND?

Type of Asset	Valuation method
Repurchase agreements and Deposits with financial institutions	Cost plus accrued interest basis
Government securities	On a marked to market basis using the daily yield curve published by the Central Bank of Sri Lanka until maturity
Corporate Bonds traded on a recognized market	Valued at the last traded price. Where there is no trade for thirty (30) calendar days, it shall be valued on a marked to market basis using the daily yield curve published by the Central Bank of Sri Lanka until maturity plus any risk premium attached to the instrument
Unquoted fixed income securities as Commercial Papers, Trust Certificates	Maturities less than 397 days shall be valued on a cost-plus accrued basis. maturities more than 397 days shall be valued on a marked to market basis using the daily yield curve released by the Central Bank of Sri Lanka until maturity plus any risk premium attached to the instrument.

4. WHAT ARE THE RISKS?

The risk profile of the fund is low to medium as the fund will be investing in BBB or above rated instruments with income generation at low to medium levels of risk as a primary objective. The following details the key risks and our strategy on mitigating these risks.

ASIA SECURITIES
INTEGRITY | INSIGHT | INNOVATION

KEY INVESTOR INFORMATION DOCUMENT

Interest rate risk
The fund invests in both short-term and long term instruments exposing it to interest rate movements. As such, any significant declines in interest rates will lead to a decline in interest income for short term investments while generating capital gains and increasing fund performance for long term instruments. We mitigate this risk by basing our asset allocation decisions on our interest rate outlook. The interest rate outlook is developed by leveraging our extensive expertise in capital markets and our meticulous research process.

Credit risk
This is the risk that an issuer of a debt obligation will not or is unable to pay the interest and/or the capital. As a mitigating strategy we invest only into instruments which are rated by a credit rating agency while carrying out our proprietary in-house rating evaluation. Additionally, in-house exposure limits as well as those mandated by the SEC prevents substantial exposure to one single issuer.

Inflation risk
Risk that inflation will exceed investment returns leading to negative real returns. This risk sees a substantial level of natural mitigation as short-term interest rates react rapidly to inflation.

Liquidity risk
This is the risk that the Fund may not be able to readily liquidate an investment into cash or will have to liquidate at a substantial discount which would impact performance. We mitigate this risk by keeping part of the fund's assets in highly liquid instruments such as Treasury Bills/Bonds, as well as managing the fund's duration during the interest rate cycle as well as through the inherently short duration of the Fund.

5. WHO ARE THE FUND MANAGERS?

The Fund is managed by Asia Securities Wealth Management (Pvt) Ltd. (ASWM). ASWM provide wealth management services for individuals, corporates, and institutions. The company was launched in October 2018 providing private wealth management services to high net-worth individuals, corporates, and institutions.

ASWM is a fully owned subsidiary of Asia Securities Holdings (Pvt) Ltd and is licensed to operate as an Investment Manager and a Management Company to operate collective investments schemes by the Securities and Exchange Commission of Sri Lanka.

ASIA SECURITIES

INTEGRITY | INSIGHT | INNOVATION

KEY INVESTOR INFORMATION DOCUMENT

5. WHO ARE THE FUND MANAGERS? (CONTD)

ASWM launched its first unit trust, the Asia Securities Money Market Fund in December 2020 and subsequently launched its flagship equity fund, two Gilt funds and two income funds since then. The company currently manages well over Rs 30Bn of funds under management and is the fifth largest unit trust manager in terms of AUM by March 2025 in Sri Lanka.

Asia Securities Holdings (Pvt) Ltd is a leading investment bank in Sri Lanka providing wealth management, M&A advisory, equity brokerage, and research services through its affiliated companies.

The Board of Directors are ;

Dumith Hemantha Fernando	Chairman (Executive) 4th Floor, Lee Hedges Tower, 349, Galle Road, Colombo 3
Harold Avancka Herat	Director (Executive) No 43/93, Poorwarama Mawatha, Colombo 05
Arjuna Kumar Wignaraja	Director (Non Executive) No 101, Horton Place, Colombo 7

6. WHO ARE THE KEY PARTIES WORKING WITH THE FUND MANAGER ?

ASWM work with reputed custodian banks, lawyers, and auditors who have extensive expertise in financial markets. Details of our key partners are as follows:

Trustee and custodian	Lawyer	Auditor
Deutsche Bank AG Level 21, One Galle Face Tower, 1A, Centre Road, Galle Face, Colombo 2, Sri Lanka.	**Nithya Partners** 97/A, Galle Main Rd, Colombo 03, Sri Lanka.	**Deloitte Partners** 100, Braybrooke Place, Colombo 02, Sri Lanka.

ASIA SECURITIES

INTEGRITY | INSIGHT | INNOVATION

KEY INVESTOR INFORMATION DOCUMENT

7. HOW CAN I INVEST IN THE FUND?

Please read this information document carefully and complete an application form and Know Your Customer form (KYC) providing all supporting and deliver to Asia Securities Wealth Management (Pvt) Limited at 4th Floor, Lee Hedges Tower, 349, Galle Road, Colombo 03, Sri Lanka or apply from ASWM online portal. Copies of this information document and the application forms can be obtained from Asia Securities Wealth Management (Pvt) Limited , the company website, or any other authorized sales agent appointed by it from time to time.

Application forms

- Investors must fill in the mandatory fields of NIC, name, mobile number, correspondence address, e-mail address and bank account details in the account opening application.
- It is mandatory for investors to mention their bank account details in the application. We always encourage redemptions to be credited to this bank account as payments made directly to a bank account is the fastest way to receive redemption proceeds.
- A Duly completed Know Your Customer (KYC) form provided along with the application form
- Each application shall accompany the following key documents as well as any additional document(s) to satisfy KYC requirements:
  - o For Individual/Joint accounts – Copy of NIC/Passport of each individual investor
  - o For Minor accounts – Copy of birth certificate of minor and NIC/Passport copy of the parent/legal guardian
  - o For Company/Corporate/Institutional – Copy of the business registration certificate, articles of association board resolution and list of authorized signatories
- Asia Securities Wealth Management reserves the right to reject any application which does not fulfill its requirements

Mode of payment

- Investors may apply for units and make payments for units via a direct bank transfer, cheque, or a banker's draft crossed "A/C payee only"
- All payments are to made payable to the following collection account or any other collection accounts assigned by Asia Securities Wealth Management which may be published on its website
  - o Deutsche Bank AG : Asia Securities Dynamic Income Fund A/C no 0046722-000

NB: Company representatives are not authorized to accept cash on behalf of Asia Securities Wealth Management (Pvt) Limited. The creation of units is subject to the realization of funds.

Asia Securities Wealth Management(Pvt) Limited reserves the right to scrutinize, review, and reject any application received, on an ongoing basis, at its discretion without assigning any reason.

KEY INVESTOR INFORMATION DOCUMENT

8. HOW WILL UNITS BE ALLOTTED ONCE PAYMENT HAS BEEN MADE?

Applications are processed upon the receipt of valid application forms and units will be allotted upon realization of funds based on the time of day money is realized in the collection account.

- If funds are realized before 9.30 a.m. on a business day, units will be created at the previous day's unit price as money can be invested as part of the deposited property on the current business day.
- If funds are realized after 9.30 a.m. on a business day, units will be created at the same day's unit price as money cannot be invested as part of deposited property until the next business day.
- If there are any non-business day/s between the last business day and the current business day the issue price of a unit shall be derived by adjusting the closing NAV of the previous business day for accrued income and charges for the no of non-business days and dividing the units in issue as at the previous business day in order to safe guard the interest of the existing unit holders.

9. HOW CAN I REDEEM UNITS AND WHEN WILL I GET THE PROCEEDS?

Redemption requests can be made in writing or through email* or from the ASWM online portal. A valid redemption request will then be processed as follows:

- For valid redemption requests received on or before 3.00 p.m. the closing net asset value of the same business day shall apply
- For valid redemption requests received after 3.00 p.m. the closing net asset value of the next business day shall apply
- Payment of redemptions will take a maximum of ten (10) business days upon the receipt of a valid redemption request

*E-mail redemption requests can only be made from a pre-approved e-mail address and the Fund Manager will not be held liable for redemption instruction received from either method.

10. PRICING OF UNITS

The Issue Price of units will be calculated to four (4) decimal places by dividing the Value of the Deposited Property as at 4.00 p.m. (Sri Lanka time) on the date ,by the number of units in issue on that date, and adding any Front End Fee and Charges in relation to issue of Units,

KEY INVESTOR INFORMATION DOCUMENT

11. EXPENSES ALLOWED FROM THE FUND

- Any expenses or disbursements of the custodian which are authorized by the trust deed
- The cost of dealing in the assets of the Fund;
- Interest on borrowings permitted and charges incurred in effecting or varying the terms of such borrowings;
- The costs and expenses incurred in obtaining a listing of the shares of the Scheme on any licensed securities exchange;
- The fees and expenses of the auditor of the Scheme;
- The costs incurred in respect of the distribution of income to investors;
- The costs reasonably incurred in respect of the publication of prices of units and in respect of the publication and distribution of the Scheme KIID or trust deed, annual and interim reports and accounts;
- Any costs incurred in preparation or the modification of the trust deed of the Scheme;
- Any other costs, incidental to its operation that may be charged to the Scheme;
- Any change in annual charges of the Managing Company;
- Expenses or disbursements of the Trustee, which are authorized by the trust deed to be paid out of the assets of the Scheme;
- Fees payable to the Commission in respect of obtaining approval for a Scheme;
- Legal expenses incurred in safeguarding the assets of the Scheme.

13. HOW WILL JOINT ACCOUNT HOLDERS BE CONSIDERED?

- In a joint account (i.e if an account has more than one registered investor), the first-named investor will receive all notices and correspondences regarding that account
- The application must specify if the account is held 'Jointly' or by 'Anyone'.
  - o In the case of an account being held 'Jointly', redemption requests must be signed by ALL joint holders
  - o Conversely, in the case of an account being specified as 'Anyone', any one of the unit holders will have the power/authority to make redemption requests, without it being necessary for all the unit holders to sign
  - o However, irrespective of an account being specified as 'Jointly' or 'Anyone', the proceeds of the redemptions will always be paid to the first-named unit holder
  - o In the event the account has more than one registered unit holder and the mode of holding is not specified in the application form the default option would be 'Anyone'.
- In case of death/insolvency of any one or more of the persons named in the register of account holders as a joint holder of any account, Asia Securities Wealth Management shall not be bound to recognize any person(s) other than the remaining unit holders. In all such cases, the proceeds of the redemptions will be paid to the first-named of such remaining unit holders.

ASIA SECURITIES

INTEGRITY | INSIGHT | INNOVATION

KEY INVESTOR INFORMATION DOCUMENT

13. DIVIDENDS, DISTRIBUTIONS, AND RE-INVESTMENT OF DISTRIBUTIONS

Dividend declaration is solely at the discretion of the Fund Manager. In the event of a dividend declaration by the fund manager, all distributions shall be either paid out or re-invested for which new units will be issued for the value of dividends distributed and will be at the discretion of the unit holder. In the event of a minor's account, dividends (if any) will be automatically reinvested in additional units.

14. SWITCHING

A unit holder may instruct to switch investments from Income fund in which the investment is already made to another fund under the management of the Manager .A switch will be treated as a redemption and a new investment. For example, this will be treated as a redemption from the Dynamic Income fund , and a new investment made in the relevant fund.

15. WHAT ARE MY RIGHTS AS A UNIT HOLDER?

- To inspect the Trust Deed at the office of the Fund Managers during office hours free of charge.
- To purchase Copies of the Trust Deed priced at Rs. 1,000/- from the Managers, between 9.00 a.m. and 3.00 p.m.on any working day.
- To redeem subject to the conditions of the Trust Deed all or some Units registered in your name
- To receive periodical statements, annual accounts, and reports of the Auditors
- To participate in meetings of the unit holders subject to the provision of the Trust Deed

16. PUBLICATION OF FINANCIAL STATEMENTS OF THE FUND

- The annual report and audited accounts shall be made available to current Unit Holders of the Scheme and also be published on the website of the Managing Company within four (4) calendar months of the end of the last day of the financial year.
- The interim report and unaudited accounts of a Scheme for a reporting period shall be published in the website of the Managing Company and the investors shall be informed of such fact by way of a newspaper advertisement within three (3) calendar month from the end of the interim accounting period.

17. REGULATIONS APPLICABLE

The Fund is approved by the SEC to be managed by Asia Securities Wealth Management (Pvt) Limited . The trust deed is binding on the Managing Company, Trustee, Custodian and each Unit Holder; All assets of the Scheme are held by the Trustee / Custodian.

KEY INVESTOR INFORMATION DOCUMENT

18. SUSPENSION OF DEALINGS OF THE FUND

The Managing Company in exceptional circumstances to protect the interests of unit holders in consultation with the Trustee subject to approval of the Commission, will temporarily suspend the sale and redemption units for 90 days. All Unit Holders will be informed once approval of the Trustee and the Commission have been obtained and an explanation will be provided with the reasons for such suspension.

19. TERMINATION OF THE FUND

The Fund will be terminated or wound up upon the occurrence of any of the following events:

- Approval granted by the Commission to operate the Scheme is cancelled.
- Unit Holders representing at least seventy-five per centum (75%) of the total Units in issue (excluding those held by the Managing Company) pass a special resolution to terminate or wind up the Scheme.
- The Commission in consultation with the Trustee and the Managing Company has directed the Trustee to wind up the Scheme since the value of the deposited property has fallen below an operationally viable level.
- The Scheme has completed its tenure or circumstances exist that warrant the termination/winding up of a Scheme as specified in the trust deed /KIID;
- The Managing Company and the Trustee are of the view that the value of the assets of the Scheme has fallen below an operationally viable level;
- Upon an order made by a competent court

20. DELEGATION OF SERVICES

No services of the managing company such as fund management ,valuation and maintenance of the unit holder registry involving creation and redemption of units has been delegated to a third party. Legal advisory services and external audit function will be carried out by third parties.

21. MANAGEMENT PERSONNEL AUTHORIZED TO MAKE INVESTMENT DECISIONS

Nadarajah Gowthaman - Portfolio Manager

Gowthaman joined Asia Securities Wealth Management (Pvt) Ltd as the Vice President/Portfolio Manager. Prior to this role, he was associated with Ceylon Asset Management, one of Sri Lanka's leading asset management firms, where he covered fixed income and equity funds. Before that, he worked as an Investment Manager at ETF Board and as a Forex & FIS Dealer at Indian Bank, amassing over a decade of experience in both domestic and foreign markets.

Nidesh Perera - Chief Operating Officer

Nidesh assumed the role of Assistant Vice President at Asia Securities Wealth Management (Pvt) Ltd and subsequently ascended to the position of Chief Operating Officer. Preceding this, he held a position at Asset Trust Management Ltd, a prominent asset management firm in Sri Lanka, overseeing fixed-income and equity funds. Earlier in his career, Nidesh acquired extensive experience in domestic markets through roles in the Treasury Operation sector at Nat Wealth Securities Ltd and DFCC Bank PLC, amassing over a decade of expertise in the field.

KEY INVESTOR INFORMATION DOCUMENT

22. INVESTMENT COMMITTEE

Steven Enderby - Independent Member
Accounts for over 35 years of financing, investment, and private equity experience in UK, Africa and South Asia, predominantly in Sri Lanka and India. Mr Enderby was also the former Group CEO, Hemas Holdings PLC.

Dumith Fernando - Chairman ASWM
25+years of investment banking experience In New York, Hong Kong, and Sri Lanka. Former MD/Group COO at Credit Suisse Asia pacific region and former Chairman, Colombo Stock Exchange. Current Board Member of Union Assurance PLC & Sri Lankan Airlines Ltd.

Avancka Herat - Executive Director ASWM
Former CEO of National Asset Management (Pvt) Ltd (NAMAL) and former Chief Investment Officer of Aegis Fund Management (fund manager for Sri Lanka Insurance Corporation). He counts over 25 years of capital markets experience.

Chaya Jayawardena
Chief Executive Officer ASWM 30+ years of strategic leadership experience in corporate banking, global markets, risk management, transaction banking, SME banking, digital and consumer banking. Former Senior Vice President, Union Bank of Colombo PLC .Prior banking experience across ANZ Grindlays, HSBC & Standard Chartered Bank

Pushpika Jeevaratne - VP Compliance ASWM
18+years of capital markets experience. Former Head of Compliance & Risk at National Asset Management (Pvt) Ltd (NAMAL).

23. DEFINITIONS

- **Business Day** - Any day on which Commercial Banks are open for business in Sri Lanka;
- **Central Bank** - Central Bank of Sri Lanka;
- **CIS Code** - The Collective Investment Scheme Code framed and gazetted in Gazette No. 2278/27 dated 7th May 2022 by the Commission under the Act and any modifications made thereto;
- **Commission** - The Securities and Exchange Commission of Sri Lanka established in terms of the SEC Act;
- **Deposited Property** - All the assets (including cash and earnings on cash deposits) for the time being held or deemed to be held by the Trustee, in his capacity as custodian of the FUND, on behalf of the FUND and subject to the provisions of the Trust Deed, excluding any amount for the time being standing to the credit of the account which has been set up by the Trustee to hold income for the distribution to the Unit Holders;

KEY INVESTOR INFORMATION DOCUMENT

23. DEFINITIONS

- **Government** - The Government of Sri Lanka;
- **Front-End Fee** - The difference between the issue price and the portion of proceeds from the sale of a Unit which is received by the Managing Company;
- **FUND** - The Unit Trust constituted by the Trust Deed, as modified or added to from time to time with the approval of the Commission and called by the name "Asia Securities Dynamic Gilt Fund " or such other name as the Trustee and the Managing Company may mutually agree upon from time to time;
- **Manager/s** or **Managing Company** - Asia Securities Wealth Management (Pvt) Limited licensed by the Commission to operate Unit Trusts in Sri Lanka;
- **LKR** or **rupees** or **Sri Lanka rupees** - Sri Lankan Rupees, the legal currency of Sri Lanka;
- **KIID** or **Key Investor Information Document** - A written statement that discloses in detail the terms of the offering of the FUND;
- **Management Fees** - Any sum to which the Managers may become entitled pursuant to the provisions of the Trust Deed;
- **SEC Act** - Securities & Exchange Commission of Sri Lanka Act No. 19 of 2021;
- **Subscription Day** - Any day on which Asia Securities Wealth Management (Pvt)Limited will create Units;
- **Trustee** - Deutsche Bank AG, Colombo Branch, or any successor appointed by the Managing Company with the approval of the Commission;
- **Trust Deed** - Trust Deed dated 5th November 2024 & Supplementary Trust deed dated 9th September 2025;
- **Unit** - One undivided unit in the FUND;
- **Unit Holders** - Any person who by reason of holding of units in the FUND or by reason of having invested capital in the FUND is entitled to a proportionate part of the property of the FUND;

DECLARATION

DECLARATION BY THE TRUSTEE

We Deutsche Bank AG the Trustees hereby declare and certify that we have read and agreed with the representations herein.

The Trustee declare that they will carry out transactions with the Fund Manager at an arm's length basis and on terms which are best available for the Fund, as well as act, at all times, in the best interest of the fund's unit holders.

They further declare that the requirements of Securities and Exchange Commission of Sri Lanka (SEC) issued guidelines have been complied with.

Authorized Representative of the Trustee	

DECLARATION BY THE MANAGER

This Key Investor Information Document has been seen and approved by the board of directors of the Managing Company and we collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after making all reasonable inquiries and to the best of our knowledge and belief, there are no facts, the omission of which, would make any statement herein misleading.

On behalf of the Manager,

Director		Director	

IMPORTANT

READ AND RETAIN THIS KEY INVESTOR INFORMATION DOCUMENT FOR FUTURE REFERENCE. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS INFORMATION MEMORANDUM YOU SHOULD CONSULT ASIA SECURITIES WEALTH MANAGEMENT (PVT) LIMITED, AN ATTORNEYAT- LAW, AN ACCOUNTANT OR OTHER FINANCIAL ADVISER.

THE PRICE OF UNITS AND THE INCOME DERIVED FROM HOLDINGS MAY INCREASE OR DECREASE FROM TIME TO TIME AND THIS IS APPLICABLE TO INVESTMENTS MADE IN THE FUND REFERRED TO IN THIS INFORMATION DOCUMENT.

This Key Investor Information Document is dated 10th September, 2025

Asia Securities Wealth Management (Pvt) Limited
4th Floor, Lee Hedges Tower, 349, Galle Road, Colombo 3
T: +94 11 772 2020 | F: +94 11 237 2280 / +94 11 237 2263 | E: wealth@asiasecurities.lk
www.asiasecurities.net