

Private Alternative Income Opportunities Fund II (the “Fund”)

This Product Highlights Sheet is dated 7th November 2024

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of Cross Light Capital Sdn Bhd 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, that there are no false or misleading statements or omission of other facts which would make any statement in this Product Highlights Sheet false or misleading.

STATEMENT OF DISCLAIMER

The relevant information and document in relation to the Private Alternative Income Opportunities Fund II, including a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia under the Lodge and Launch Framework.

The lodgement of the relevant information and document in relation to the Private Alternative Income Opportunities Fund II, including this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the Private Alternative Income Opportunities Fund II or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Cross Light Capital Sdn Bhd, responsible for the Private Alternative Income Opportunities Fund II and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

ADDITIONAL STATEMENT

THE FUND MAY INVEST AND HOLD ILLIQUID ASSETS SUCH AS NON-TRADEABLE AND NON-TRANSFERABLE SECURITIES. THE FUND MAY INVEST IN A SINGLE ISSUER AND/OR EMERGING AND SMALL COMPANIES, RESULTING IN SIGNIFICANT CONCENTRATION RISKS AND HIGHER DEFAULT AND CREDIT RISKS AS COMPARED TO A FUND WITH DIVERSIFIED INVESTMENTS IN LARGER AND ESTABLISHED COMPANIES. GIVEN THE ABOVE NATURE, THERE IS CONSIDERABLE RISK THAT AN INVESTMENT IN THE FUND COULD RESULT IN SIGNIFICANT CAPITAL LOSSES AND CARRIES RISKS OF A DIFFERENT NATURE FROM OTHER TYPES OF FUNDS; HENCE, AN INVESTMENT IN THE FUND MAY NOT BE SUITABLE FOR PERSONS AVERSE TO SUCH RISKS. THE FUND IS NOT CAPITAL GUARANTEED OR CAPITAL PROTECTED AND INVESTORS MAY LOSE ALL OR A LARGE PART OF THEIR INVESTMENT. AN INVESTMENT IN THE FUND IS NOT INTENDED TO BE A COMPLETE INVESTMENT PROGRAMME FOR ANY INVESTOR AND PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER WHETHER AN INVESTMENT IN THE FUND IS SUITABLE FOR THEM IN LIGHT OF THEIR OWN CIRCUMSTANCES, FINANCIAL RESOURCES AND ENTIRE INVESTMENT PROGRAMME. INVESTORS ARE ADVISED TO READ AND UNDERSTAND THIS INFORMATION MEMORANDUM AND IF IN DOUBT, TO OBTAIN PROFESSIONAL ADVICE BEFORE SUBSCRIBING TO UNITS OF PRIVATE ALTERNATIVE INCOME OPPORTUNITIES FUND II. UNITS OF PRIVATE ALTERNATIVE INCOME OPPORTUNITIES FUND II CAN ONLY BE SOLD TO SOPHISTICATED INVESTORS DURING THE OFFER PERIOD AND INVESTORS WILL ONLY BE ABLE TO REDEEM FROM THE FUND ON THE MATURITY OF THE FUND.

This Product Highlights Sheet only highlights the key features and risks of the Private Alternative Income Opportunities Fund II. Investors are advised to request, read and understand the disclosure documents before deciding to invest.

SPECIFIC RISK DISCLOSURE STATEMENTS

The Fund may invest in non-tradable and non-transferable equity related unlisted securities. The Fund is suitable only for investors who have a medium to long term investment horizon. You will not be able to redeem your Units within the first 36 months from the Launch Date. The Fund may invest up to 100% of its NAV in equity related securities and/or unlisted securities by a single issuer. You are advised not to invest in this Fund if you are not able to accept the risks.

1. What is Private Alternative Income Opportunities Fund II?

The Fund is a mixed assets (closed-end) fund managed by Cross Light Capital Sdn Bhd.

2. Fund Suitability

The Fund is suitable for a Sophisticated Investor* (applicable for principal and joint holder) who:

- has Medium Term investment horizon;
- has an extremely high risk tolerance; and
- seek income distribution on an annual basis.

** Please refer to the definition of "Sophisticated Investors" in the information memorandum for more details.*

3. Key Product Features

Fund Type	Income and growth
Fund Category	Mixed assets (closed-end)
Launch Date	7 th November 2024
Investment Objective	The Fund aims to provide a combination of income and incidental capital growth. Any material change to the Fund's objective would require Unit Holder's approval.
Investment Strategy and Approach	The Fund may invest up to 100% of its NAV in equities and equity-related securities or in Fixed Income Investments to achieve potential higher return. The Fund may concentrate its investments on a few selected asset classes or a single investment that has potential income. For instance, the Fund may fully invest only in preference shares for dividends and income. The Fund may also invest in collective investment schemes and place deposits with Financial Institutions.
Asset Allocation	0-100% of the Fund's NAV in equities and equity-related securities; and 0-100% of the Fund's NAV in Fixed Income Investments.
Benchmark	Maybank's 12-month fixed deposit rate. The risk profile of the Fund is different from the risk profile of the performance benchmark. There is no guarantee that the Fund will outperform the performance benchmark.
Permitted Investments	The Fund may invest in the followings: <ul style="list-style-type: none"> • securities listed on Bursa Malaysia or any other Eligible Market; • unlisted securities such as preference shares; • debentures and corporate bonds; • money market instruments; • collective investment schemes; • fixed income related structured products; • derivatives for hedging purposes only; • deposits placed with Financial Institutions; and

	<ul style="list-style-type: none"> any other form of investment as may be decided by the Manager from time to time.
Investment Restrictions and Limits	The Fund is not subject to any investment restrictions and limits.
Distribution Policy	Subject to the availability of distribution income, the Fund will distribute income on an annual basis.
Mode of Distribution	All income distribution will be credited into the Unit Holders' bank account by way of electronic payment based on the NAV per Unit on the distribution payment date (which is within ten (10) Business Days from the distribution declaration date). The transfer charges will be deducted directly from the transferred amount before being paid to the Unit Holders' bank account.
Sales Charge	Up to 5.00% of the Offer Price. The Manager reserves the right to waive or reduce the sales charge at its absolute discretion. All sales charge will be rounded to two (2) decimal places and will be retained by the Manager.
Withdrawal Charge	Not applicable.
Cooling Off Rights	Not Available
Switching Fee	Not applicable.
Transfer Fee	Not applicable.
Manager	Cross Light Capital Sdn Bhd. 201901034174 (1343504-X)
Management Fee	Up to 1.25% per annum of the NAV of the Fund.
Trustee	M Trustees Berhad. 198701004362 (163032-V)
Trustee Fee	0.05% per annum of the NAV of the Fund (excluding foreign and local custodian fees and charges) subject to a minimum fee of RM 8,000.00 per annum.
Minimum Initial Investment	RM100,000.00 or such other amount as may be determined by the Manager.
Minimum Additional Investment	RM10,000.00 or such other amount as may be determined by the Manager.
Minimum Holding of Units to Maintain an Account[^]	50,000 Units <i>The Manager reserves the right to waive or reduce the minimum holding of units at its absolute discretion.</i>
Redemption Restriction	Unit Holders are not allowed to redeem their Units during the tenure of the Fund. Please note that the investment may not be able to be redeemed even <u>after</u> thirty-six (36) months from the investment date if the Fund is not able to dispose of its assets and has insufficient cash.
Cut-off time	3:00 p.m. The Manager will process your transaction on the next Business Day if the Manager receives your application after the cut-off time.
[^] or such other amount or number of Units as may be determined by the Manager at its discretion.	

4. Key Risks

There are many possible outcomes associated with an investment in the Fund and involves some degree of risk. Investors are to take note that the value of an investment in the Fund and its distributions payable (if any) may go down as well as up and are not guaranteed. The value of your investment is at risk depending on the underlying investments of the Fund.

Under normal circumstances, the Manager aims to out-perform the Fund's benchmark, the Maybank's 12-month fixed deposit rate. However, on the flip side, the Fund may post a much lower return or even incurring losses if one or more of the key risks occur. In the worst scenario where all the investments of the Fund are in default or suspended, investors may lose part or even all of your initial investments.

General risks of investing in the Fund

<p>General risks of investing in the Fund</p>	<p><u>Returns not guaranteed</u> The investment of the Fund is subject to market fluctuations and its inherent risk. There is NO GUARANTEE on the investment returns, nor any assurance that the Fund's investment objective will be achieved.</p> <p><u>Market risk</u> Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the Fund's NAV.</p> <p><u>Inflation risk</u> This is the risk that investors' investment in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce investors' purchasing power even though the value of the investment in monetary terms has increased.</p> <p><u>Performance risk</u> As a result of the risk elements, the returns from the Fund are not guaranteed. The value of the Fund's investment will vary when disposed and an investment may be worth more or less than when purchased.</p> <p><u>Manager's risk</u> This risk refers to the day-to-day management of the Fund by the Manager which will impact the performance of the Fund. For example, investment decisions undertaken by the Manager, as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the Deed, relevant law or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the performance of the Fund.</p> <p><u>Operational risk</u> This risk refers to the possibility of a breakdown in the Manager's internal controls and policies. The breakdown may be a result of human error, system failure or fraud where employees of the Manager collude with one another. This risk may cause monetary loss and/or inconvenience to Unit Holders. The Manager will regularly review its internal policies and system capability to mitigate this risk. Additionally, the Manager maintains a strict segregation of duties to mitigate instances of fraudulent practices amongst employees of the Manager.</p>
<p>Specific Risks Associated with the Investments of the Fund</p>	<p><u>Equities and equity-related securities risk</u> Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stocks will adversely affect the Fund's NAV.</p> <p>The risk of investing in a fund that invest in equity-related securities such as rights and warrants, where the price movement of the equity-related security is dependent on the price movement of the underlying equities, is generally higher than the risk of investing in their underlying equities as these equity-related securities are leveraged form of investment. The price of equity-related securities generally fluctuates more than the price of the underlying equities and consequently may affect the volatility of the Fund's NAV. For example, warrants have a limited life and will depreciate in value as they approach their maturity date. If a warrant's exercise price is above the share price at any time during its remaining subscription period, the warrant will theoretically carry little value and warrants that are not exercised at the maturity date will become worthless.</p> <p><u>Illiquidity risk and investments in unlisted securities risk</u> The investment to be made by the Fund would be generally illiquid. The eventual liquidity of all investment of the Fund will be dependent upon the success of the realisation strategy proposed for each investment of the Fund which could adversely be affected by a variety of risk factors. The period of time required to liquidate the Fund's assets cannot be predicted with certainty. The Fund may invest in non-tradable and non-transferable securities. The Fund is suitable only for investors who have a Medium Term investment horizon. You will not be able to redeem your Units during the tenure of the Fund. You are advised not to invest in this Fund if you are not able to accept this risk.</p> <p><u>Concentration risk</u> Concentration risk is the probability of loss arising from lack of diversification, investing with a single issuer and/or in a single security. The strength of the issuer may be affected due to change of financial</p>

	<p>performance, news of a possible merger or loss of key personnel of the issuer. The Fund may invest up to 100% of its NAV in equity-related securities, redeemable preference shares and/or securities issued by a single issuer. You are advised not to invest in this Fund if you are not able to accept this risk.</p> <p><u>Credit and default risk</u> Credit risk relates to the creditworthiness of the issuers of the Fixed Income Investment and their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the Fixed Income Investment. Default risk refers to the possibility that the issuer of the Fixed Income Investment is unable to make timely or full payments of interest and/or principal when due. In the event of a default in payment of principal and/or interest, this may cause a reduction in the value of the Fund. The Manager will endeavour to take the necessary steps to deal with the investments in the best interest of the Unit Holders including to dispose of the defaulted investments within a time frame deemed reasonable by the Manager. You are advised not to invest in this Fund if you are not able to accept this risk.</p> <p><u>Counterparty risk</u> The Fund's placements in deposits and/or investments in money market instruments with Financial Institutions are subject to counterparty risk. Counterparty risk refers to the possibility that the counterparty being unable to make timely payments of interest and/or principal payment on the maturity date. This may then lead to a default in the payment and/or interest and ultimately, affect the NAV per Unit of the Fund.</p> <p><u>Interest Rate Risk</u> Interest rate risk refers to the impact of interest rate changes on the valuation of Fixed Income Investments, whenever is applicable. When interest rates rise, the prices of Fixed Income Investments generally decline and this may lower the market value of the Fund's investment in Fixed Income Investments. The reverse may apply when interest rates fall.</p> <p><u>Business risk of emerging companies</u> This risk is associated with investments in small cap companies. Emerging companies may be more volatile and risky compared with mature and well established companies. Any irregular fluctuation of the stocks of these companies may affect the Unit price as the price of Units may also fluctuate. You are advised not to invest in this Fund if you are not able to accept this risk.</p> <p><u>Illiquid investments and adverse market conditions risk</u> The Fund may make investments which as a result of adverse market conditions, changes in legal and/or regulatory conditions, may subject the Fund to legal or other restrictions on transfer, or no liquid or lower liquidity in the market for the investments than the Manager had expected when initially making the investments and/or any other unforeseen event or circumstance by the Manager. The market prices, if any, of such investments may be more volatile and the Fund may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. The Fund may encounter substantial delays in attempting to sell such investments. You are advised not to invest in this Fund if you are not able to accept this risk.</p> <p><u>Limited performance record or operating history: past performance</u> The Fund has a limited operating history which prospective investors may base their evaluation of an investment in the Fund. The past investment performance of the Manager, or the entities and individuals with which the Manager has been associated should not be construed as an indication of the future results of an investment in the Fund. The Fund's investment strategy should be evaluated on the basis that there can be no assurance that the Manager's assessment of the short-term or long-term prospects of investments will prove accurate or that the Fund will achieve its investment objective.</p> <p><u>Stock Specific Risk</u> The performance of a particular stock that the Fund invests in will affect the price of the Units. The success or failure of the company will cause the value of its stock to rise or fall which will directly impact the NAV of the Fund. Factors such as poor financial performance, management issues, regulatory changes, competitive pressures may have an adverse effect on the value of the stock.</p>
	<p>Investors are reminded that the above list of risks may not be exhaustive and if necessary, they should consult their adviser(s), e.g. bankers, lawyers, stockbrokers or independent professional advisers for a better understanding of the risks. For more details, please refer to section 4 in the information memorandum for the risks of investing in the Fund. Note: If your investments are made through an institutional unit trust scheme adviser ("Distributor") which adopts the nominee system of ownership, you would not be deemed to be a unit holder under the deed and as a result, your rights as an investor may be limited. Accordingly, we will only recognize the Distributor as a unit holder of the Fund and the Distributor shall be entitled to all the rights conferred to it under the deed.</p>
	<p>5. Valuation of Investment</p> <p>The Fund is valued once at the end of on the last every Business Day of each calendar month</p> <p>For listed securities, investment in listed securities shall be valued at the last done market price available at the close of the Business Day. However, if: a valuation based on the market price does not represent the fair value of the securities for example during abnormal</p>

market conditions; or no market price is available, including in the event of a suspension in the quotation of the securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, then the securities will be valued at fair value. The fair value shall be determined in good faith by the Manager, based on the method or bases approved by the Trustee which have been verified by the auditor of the Fund after appropriate technical consultation.

For unlisted securities, it will be valued at fair value as determined in good faith by the Manager, based on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

For deposits placed with Financial Institutions, it is valued by reference to the principal value of such deposits and the interests/profits accrued thereon for the relevant period.

For collective investment schemes, investment in units or shares in the collective investment schemes will be valued based on the last published repurchase price of the collective investment scheme.

For debentures and corporate bonds, investment in debentures and corporate bonds shall be valued based on the price quoted by a bond pricing agency ("BPA") registered with the SC. Where the Manager is of the view that the price quoted by BPA differs from the "market price" by more than twenty (20) basis points, the Manager may use the "market price" provided that the Manager records its basis for using a non-BPA price, obtains the necessary internal approvals to use the non-BPA price and keeps an audit trail of all decisions and basis for adopting the "market price".

For any other instruments, it will be valued at fair value as determined in good faith by the Manager, based on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

6. Exiting from Investment

Unit Holders are not allowed to redeem their Units during the tenure of the Fund.

The tenure of the Fund is thirty-six (36) months.

The Fund will mature on a day which is thirty-six (36) months from the Commencement Date. If that date is not a Business Day, the Maturity Date shall be the first Business Day following the date that is thirty-six (36) months from the Commencement Date.

On the Maturity Date, the Manager shall sell all the investments of the Fund and return all the proceeds to Unit Holders (based on the number of Units held by the Unit Holders) within thirty (30) days, after deducting the Fund's expenses.

7. Contact Information

I. For internal dispute resolution, you may contact:

Clients Servicing Personnel

Tel : 03-2117 5150
Email : support@crosslightcapital.com
Website : www.crosslightcapital.com

II. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industry Dispute Resolution Center (SIDREC):

- a. via phone to : 03 - 2282 2280
- b. via fax to : 03 - 2282 3855
- c. via email to : info@sidrec.com.my
- d. via letter to : Securities Industry Dispute Resolution Center (SIDREC)
Unit A-9-1, Level 9, Tower A
Menara UOA Bangsar
No. 5, Jalan Bangsar Utama 1
59000 Kuala Lumpur

III. You can also direct your complaint to the Securities Commission Malaysia (SC) even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Consumer & Investor Office:

- a. via phone to : 03 - 6204 8999
- b. via fax to : 03 - 6204 8991
- c. via email to : aduan@seccom.com.my
- d. via online complaint form available at www.sc.com.my
- e. via letter to : Consumer & Investor Office
Securities Commission Malaysia
No 3 Persiaran Bukit Kiara
Bukit Kiara, 50490 Kuala Lumpur